



**Key factors in creating successful long term consultancy-client relationships
in Corporate Real Estate advisory services**

Master's Thesis
Department of Real Estate, Planning and
Geoinformatics, School of Engineering,
Aalto University

Espoo, 6 October 2014

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Title of thesis Key factors in creating successful long term consultancy-client relationships in Corporate Real Estate advisory services

Degree programme Real Estate Economics

Major/minor Real Estate Investment and Finance /
Corporate Law

Code of professorship Maa-
20

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Thesis advisor(s) Matti Christersson & Niko Penttinen

Date 6.10.2014

Number of pages 45+21 **Language** English

Abstract

Corporate real estate management (CREM) has evolved during the past decade and the use of corporate real estate advisory services has increased. The purpose of this research is to study the evolution and current position of corporate real estate management but also to develop better understanding on what type of consultancy-client relationships exist and what are the key factors contributing to a successful long-term relationship.

The research questions of this study are: 1) How does the current status and position of corporate real estate management differs in the different organisations? Can it be specified in different industries? Are there similarities? 2) Why do organisations use or not use corporate real estate advisory services? 3) What are the key factors that establish and support a long term consultancy-client relationship? The framework is built from existing literature and two expert interviews. The literature review focuses on corporate real estate management and consultancy-client relationships. Working hypotheses for the empirical study are formed through conclusions of the literature. The data in the empirical analysis is 11 interviews gathered through to occupier organisations in Finland and UK.

The more developed the company is, the more strategic the CREM is. The findings of this study suggest that CREM is more advanced in the evolved industries such as ICT, financial and pharmacy, whereas, CREM falls slightly behind in the matured industries. The findings expose that companies are using an increasing amount of real estate advisory services enabling the firm to perform better and more cost-efficiently, but also allowing smaller in-house teams and better solutions with the available market data and software. The findings show that real estate advisory services were not used if the know-how is found internally and if the service is not cost-efficient. The findings suggest that the most important factors contributing to a successful relationship are trust and the advisor itself. Moreover, the corporate brand, professionalism and talented people who make the client "look good" are highly valued. The findings suggest that other important factors are quality of work, flexibility, cost-efficiency, transparency and open communication.

Keywords Real estate, corporate real estate management, advisor, consultant, client, supplier, vendor, consultancy-client relationship

Tekijä Emma Kaksonen

Työn nimi Tekijät, jotka vaikuttavat pitkäkestoisiin onnistuneisiin konsultti-asiakassuhteisiin yrityksen strategisen kiinteistöjohtamisen palveluiden puolella

Koulutusohjelma Kiinteistötalous

Pää-/sivuaine Kiinteistösijoittaminen ja -rahoittaminen / **Professuurikoodi** Maa-20
Yritysjuridiikka

Työn valvoja Seppo Junnila

Työn ohjaaja(t) Matti Christersson & Niko Penttinen

Päivämäärä 6.10.2014

Sivumäärä 45+21

Kieli Englanti

Tiivistelmä

Yrityksen strateginen kiinteistöjohtaminen (CREM) on kehittynyt viimeisen vuosikymmenen aikana ja strategisen kiinteistöjohtamisenpalveluiden käyttäminen lisääntynyt. Tutkimuksen tarkoituksena on tutkia yrityksen strategisen kiinteistöjohtamisen evoluutiota sekä sen tämän hetkistä asemaa ja samalla ymmärtää minkälaisia konsultointi-asiakassuhteita on olemassa ja mitkä ovat keskeisiä tekijöitä luotaessa asiakassuhteita.

Tämän tutkimuksen tutkimuskysymykset ovat: 1) Mikä on yrityksen strategisen kiinteistöjohtamisen nykytila ja asema eri organisaatioissa? Voiko sen määritellä eri toimialoilla? Onko todettavissa yhtäläisyyksiä? 2) Miksi organisaatiot käyttävät tai eivät käytä yrityksen strategisen kiinteistöjohtamisen neuvontapalveluja? 3) Mitkä ovat keskeisiä tekijöitä, jotka luovat ja tukevat pitkiä aikavälin konsultointi-asiakassuhteita? Tutkimuksen viitekehys on rakennettu olemassa olevasta kirjallisuudesta ja kahdesta asiantuntijahaastattelusta. Kirjallisuuskatsaus keskittyy yrityksen strategisen kiinteistöjohtamiseen ja konsultointi-asiakassuhteisiin. Johtopäätöksistä on muovailtu työhypoteesit empiiriseen osaan. Empiirisen osan aineisto on kerätty 11 haastattelusta, jotka on toteutettu kansainvälissä organisaatioissa Suomessa ja Iso-Britanniassa.

Mitä kehittyneempi yritys on, sitä strategisempi CREM on. Tämän tutkimuksen tulokset viittaavat siihen, että CREM on edistyneempi kehittyneemmillä toimialoilla kun taas kypsillä toimialoilla se tuntuu tulevan hieman jäljessä. Tutkimuksen löydökset osoittavat, että yritykset käyttävät yhä enemmän kiinteistöneuvontapalveluja, joiden avulla yritys voi suoriutua kustannustehokkaammin mahdollistaen pienemmän sisäisen tiimin sekä paremmat ratkaisut kun markkinatieto ja -työkalut ovat saatavilla. Tulokset osoittavat, että palveluita ei käytetä, jos osaaminen löytyy organisaation sisältä ja jos palvelu ei ole kustannustehokasta. Tulokset paljastavat, että tärkeimmät tekijät onnistuneen konsultti-asiakassuhteen luomisessa ovat luottamus ja konsultti itse. Lisäksi yritys, ammattitaito ja lahjakkaat ihmiset, jotka saavat asiakkaan "näyttämään hyvältä" ovat korkeasti arvostettua. Myös työn laatu, joustavuus, kustannustehokkuus, rehellisyys ja avoin kommunikaatio ovat merkittäviä tekijöitä pitkäkestoisten asiakassuhteiden luomisessa.

Avainsanat Kiinteistö, yrityksen strateginen kiinteistöjohtaminen, asiantuntija, konsultti, palveluntuottaja, asiakas, konsultti-asiakas suhteet

Acknowledgements

This Master's thesis has been carried out in the Department of Real Estate at the Aalto University School of Engineering and the research has been funded by CBRE.

During these two years of real estate studies I have learned a lot; nevertheless, during this one year at CBRE I have learned more than I have ever learned at school. Through this study I was able to focus on the core idea and the limitations sharpened the core research problems to be clear and consistent. In addition, I had the learning experience of conducting a research which consists of literature and empirical study.

I want to thank CBRE for giving me this great opportunity. I want to express appreciation to Mikey Gedye, the Executive Director of GCS, and to Paul Copeland, the Senior Director of GCS, who helped me organising the UK interviews. Moreover, I would like to thank all the interviewees who shared their valuable time and visionary thoughts to enable this research.

To my instructors, M. Sc. Niko Penttinen and M. Sc. Matti Christersson, I owe my deepest gratitude. You two have been enormously supportive and assistance during the whole thesis project. In addition, I want to thank all of my wonderful colleagues being constructive and supportive.

Last but not least I wish to express my gratitude to my family and friends who have always been supportive and believed in me in this lifelong journey of learning of mine.

Helsinki, 6 October 2014

Emma Kaksonen

Definitions

Business strategy

Business strategy is a long-term plan of action designed to achieve a particular or set of goals or objectives (Teece 2010).

CBRE

CBRE is a global real estate advisory company offering services from valuation to transaction management (CBRE 2014).

Consultant-client relationship

Consultant-client relationship involves two partners – the consultant and his client (Kubr 1992, p. 39). And at its simplest, the client needs help with something they are unable to do or choose not to do for themselves, and the consultant offers assistance and expertise in one form or another in response to this need (McLachlin 1999; Sadler 1998).

Corporate real estate management (CREM)

Corporate real estate management examines the real estate from a strategic point of view and the aim of it is to link the premises and real estate to the core competencies of the corporation so that they provide the highest added value for the corporation (Dewulf, Krumm & Jonge 2003, p. 32).

Corporate real estate

Corporate real estate is the real property held or used by the company or organisation for its own operational purposes (Krumm 2001). Corporate real estate may also describe the functional practice, department, or professionalism but in this study it concentrates on the real property.

Client

Client is a person or a company that uses professional advice services. In this case the client is a company using real estate advisory services (Andersson, Jain & Chintaqanta 1993).

Consultant

Consultant/advisor is somebody who is hired to execute the task if the knowledge is not found internally. Typically, consultants have included law firms, accounting firms and advertising agencies (Prince et al 2012) but also real estate advisors.

Real estate strategy

Real estate strategy is long-term plan in terms of corporate real estate which supports the needs of the company in multiple segments, levels and purposes (Gibler & Lindholm 2011; Nourse & Roulac 1993).

Supplier/Vendor

Supplier/vendor is a person or entity that is the source for goods or services (Walter, Müller, Helfert & Ritter 2003)

Contents

Acknowledgements.....	IV
Definitions	V
1 Introduction.....	1
1.1 Background	1
1.2 Aim of the research and research questions	1
1.3 Research scope and limitations	2
1.4 Research methods.....	3
1.5 Structure of thesis.....	4
2 Literature review of corporate real estate management and consultancy-client relationships	6
2.1 Scope and objects of corporate real estate management.....	6
2.2 The evolution and development of CREM	10
2.3 Current status of CREM –Analysis of the expert interviews	14
2.4 Consulting and corporate real estate	15
2.5 Consultancy-client relationship.....	16
2.6 Agency problem in corporate real estate consulting	18
2.7 Maintaining and continuing relationships.....	19
2.8 Conclusions	22
3 Empirical part	24
3.1 Working hypotheses.....	24
3.2 Data collection procedures	24
3.3 Overview of the interviewed companies.....	25
3.4 Analysis of the interviews.....	27
3.4.1 Background of the interviewees	27
3.4.2 The status of CREM and development in the organisations.....	28
3.4.3 Experience with CREM advisory service providers.....	30
3.4.4 Factors that contribute to long-term relationships or to the lack of them with CREM advisory service providers	32
3.5 Conclusions of the interviews	35
4 Findings	37
5 Conclusions.....	42
5.1 Analysis of the results	43
5.2 Reliability, validity and generalisations of findings	44
5.3 Suggestions for Further Study.....	44
References.....	46

Appendices.....	51
Appendix 1 Organisations in the empirical analysis.....	51
Appendix 2 Organisation interview questions	52
Questions in English	52
Questions in Finnish	53
Appendix 3 Expert interview questions	56
Questions in English	56
Questions in Finnish	57

1 Introduction

“To be successful, you have to be able to relate to people; they have to be satisfied with your personality to be able to do business with you and to build a relationship with mutual trust”

George Ross, Executive Vice President and Senior
Counsel of the Trump Organisation

1.1 Background

During the past decade there has been a drastic transition in how corporations manage their real estate and the field of corporate real estate management has been widely researched (Gibler & Lindholm 2011; Leväinen & Lindholm 2006; Dewulf, Krumm & Jonge 2003; Gibson & Lizieri 2001; Dess et al 1995). From being just a side issue, corporate real estate management has transformed into a management field of its own rights at the highest level and into a professional discipline.

As the business environment continuously changes, influences such as restructuring, globalisation and information technology the way firms conduct business, it encourages the firms to find ways to be more flexible and responsible (Gibler & Lizieri 2001). These trends alter the company's real property and service needs as well as firm's real estate staffing requirements. Heightened focus on core competencies may greatly enhance firm's performance by allowing the firm to become more innovative and agile in its core domain, enabling it to quickly respond to environmental shifts (Dess et al 1995). Outsourcing real estate functions may entail hiring external providers to accomplish designated jobs or duties.

Studies on consultancy-client relationships are also well established (Ryssel 2004; Stumpf & Longman 2000; Bootz-Allen & Hamilton 1992; Kubr 1992). According to the literature a continuing relationship requires continuing benefits. To achieve corporate goals, the client must work closely with the consultant to avoid the mismatches. The consultant, on the other hand, must develop basic understanding on the actual “wants” and “needs” of the client, likewise on corporate's culture and history, to achieve a successful long-term relationship with the client (Gibler & Black 2004).

Employing an outside firm to manage the company's real estate functions, companies need to find a loyal, reliable vendor who can be trusted and is efficiently supporting the company's objectives. With attempts to fulfil the needs of the client, many service providers engage in relationships with the business customers (Ryssel et al 2004, p. 197) and see the importance of customer relationship. This is also observed in the real estate industry when more and more companies are engaging in relationship with a real estate advisory firm.

1.2 Aim of the research and research questions

In CBRE, the corporate values, Respect, Integrity, Service and Excellence, are defined by the importance of the relationships. One of CBRE's service lines, Global Corporate Services, is concentrated on offering services for corporate clients. The advisors of the

service line work closely with the clients supporting their real estate decision making, but also engage relationships with the clients. As many service providers engage relationships with the business customers (Ryssel et al 2004, p. 197). Therefore, it is essential to see the importance of the relationship and the factors contributing to the successful relationship.

The purpose of the research is to study the evolution and current position of corporate real estate management in selected occupier organisations in selected countries. The aim of the study is to develop better understanding on what type of consultancy-client relationships exist in those markets and what are the key factors contributing to a successful relationship between client organisation and real estate advisory service provider.

The research questions are based on the aim of the research. Theoretical background is studied to understand the evolution of corporate real estate and the most significant factors influencing the consultancy-client relationships. The same is also studied in real-life observations in order to answer the research questions. The research questions are:

- How does the current status and position of corporate real estate management differ in the different organisations? Can it be specified in different industries? Are there similarities?
- Why organisations use or do not use corporate real estate advisory/consultancy services?
- What are the key factors that establish and support a long term consultancy-client relationship?

1.3 Research scope and limitations

This study concentrates on corporate real estate management and consultancy-client relationships. It denotes that the research is carried out from the viewpoint of selected client organisations of CBRE. In addition, selected potential future clients are also interviewed in order to add knowledge on their needs and wants. Moreover, two selected real estate experts are interviewed to find out more on evolution and current position of corporate real estate and the advisory services used in the selected two countries which are Finland and UK. The articles used as a source of the literature review are mainly from western countries, principally from Europe and USA. The empirical part is conducted only in Finland and UK.

Client organisations are global user organisations which have several offices all around the world, also in Finland. Companies based only in Finland and UK, developer organisations and public sector, are left out from the study in order to focus on a more narrow area. Interviews are carried out in UK and Finland concentrating on organisations operating in different business fields, such as financial, technological, manufacturing and commercial. For the sake of clarity, retail and production are left out from the study.

The field of corporate real estate management is multi-range. The study is focused only on general management on the strategic level of business and real estate. Asset Management (AM), Facility Management (FM) and Property Management (PM) which are the fields of CREM, are left out from the study.

The theory of consultancy management and relationship marketing are also wide, but the research focuses only on consultancy-client relationships and business to business –

relationships. The study is concentrated on customer experiences through the consultancy services especially in corporate real estate advisory services. Even though the research concentrates on customer relationships, information technology tools such as customer relationship management software and databases are left out of the study.

1.4 Research methods

The choice of the research approach of a study depends on the nature of the research problem as well as the objectives of the study. Qualitative research tries to comprehend and explain the phenomenon of the social world which are created, interpreted and used by individuals or groups with their meanings and practices. This methodology aims to produce rounded understandings of the complex but rich and detailed data (Creswell 2009, p. 212). In a qualitative research the attention should be paid to objectiveness of the data and the findings; and notice that researcher's selective viewing and interpretations cannot be totally neutral. Creswell (2009, p. 13) claims that the base for a qualitative research should be an intellectual puzzle and the research produces social explanations which could be generalisable in some way. In this case the intellectual puzzle is the factors contributing to a successful consultancy-client relationship in the corporate real estate advisory services.

This study is defined by socially constructed knowledge claims. Creswell (2009, p. 8) identifies social constructivist worldview with an assumption of an individual seeking understandings of the world where he or she is living. The researcher collects different points of view from research participants creating varied subjective meanings. As the meanings are multifaceted, it will lead the researcher to see a complex view of the studied subject rather than having constricted ideas at the end of the research.

According to Creswell (2009, p. 122) the research question should be as broad and open-ended as possible to give the participants freedom to express their meanings of the studied subject. In the social constructivism one of the main ideas is that the participants' meanings are constructed as a result of interaction with others (Creswell 2009). Social constructivism demands a subjective approach but the researcher must be conscious of him or her own background and its effect to the interpretation of the participants' meanings.

Therefore, the study is qualitative research with a review of literature and empirical study. The literature review examines the earlier research findings of corporate real estate management and consultancy-client relationships. According to Creswell (2009, p. 89) the literature review provides a framework for forming the relevance of this study in addition to benchmarking the results of the empirical study.

The empirical study is constructed on four working hypotheses which are formed from the findings of the literature review. These four hypotheses shaped during going through the existing literature and are tested in the empirical part. These hypotheses are tested in the empirical part because it is an essential part of the qualitative research (Eskola & Suoranta 1998).

The empirical data is collected with qualitative methods where the views of the subjects of the study are collected with the manner they occur and they are not forced to fit any pre-planned model. According to Hirsijärvi et al (2007) this is realised with semi-structural interviews with open-ended questions where the questions are based on the findings of the theoretical review.

Robson (1993) notes that interviews are a flexible and adaptable way of finding things out. Face-to-face interviews offer the possibility of modifying one's line of enquiry, following up interesting responses and investigating underlying motives in a way that postal and other self-administrated questionnaire cannot. Although telephone interviews are less used in the qualitative research, it is as versatile data collection tool as the face-to-face interviews (Novick 2011). When compared to face-to-face interviews, the advantages of using the telephone include according to Novick decreased cost and increased access to geographically disparate subjects. In addition, the respondents have been described as relaxed on the telephone and willing to talk freely. Therefore, the empirical data is collected through both, face-to-face interview and telephone interview. In the end existing theories and interview findings are combined in an iterative process leading to the deviating observation.

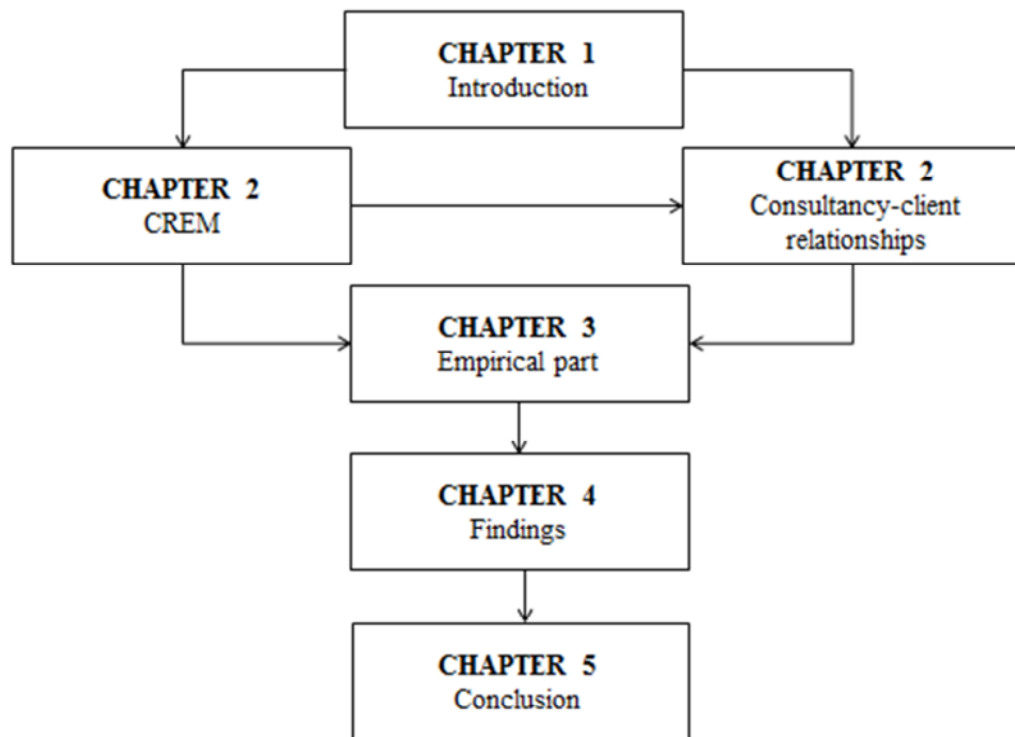
1.5 Structure of thesis

This qualitative study begins with introduction to the subject and defines the research methods and limitations. After the introduction the research focuses on to review the existing literature on the subject. To understand the background of the subject, the literature review is divided into chapters each of them focusing on the various elements of corporate real estate management and consultancy management.

In the literature review the main characteristics of evolution of corporate real estate, different development stages and value adding purposes are discussed. Furthermore, the research focuses on consultancy-client relationships in real estate advisory services.

The third section consists of empirical study. The section begins by gathering the general information of the case study, describing the interview questions and concludes the four working hypothesis. These four working hypothesis are based on the findings from the literature review and after this the analysis of the interviews begins.

Findings and conclusion gathers and combines the results of the literature review and the empirical part and discusses and analyses the results in terms of validity and reliability.



Picture 1 Structure of the thesis

2 Literature review of corporate real estate management and consultancy-client relationships

The growth of the companies and commensurate expansion of real estate portfolio triggered a need for managerial attention being paid to the matters of real estate. As the industries have evolved and got more capable, corporate real estate management has moved itself up in the value queue in terms what it can offer to the business. As the business environment continuously changes, encourages it firms to find ways to be more flexible and responsible. Companies are employing an outside firm to manage their fully or partly their real estate functions and to accomplish the designated work or tasks. Firms offering corporate real estate advisory services are, of course, seeking like any other company in any other industry ways to improve bottom-line results and create long-term relationships with their clients. Next, based on the literature and previous research corporate real estate management and consultancy-client relationship management will be addressed.

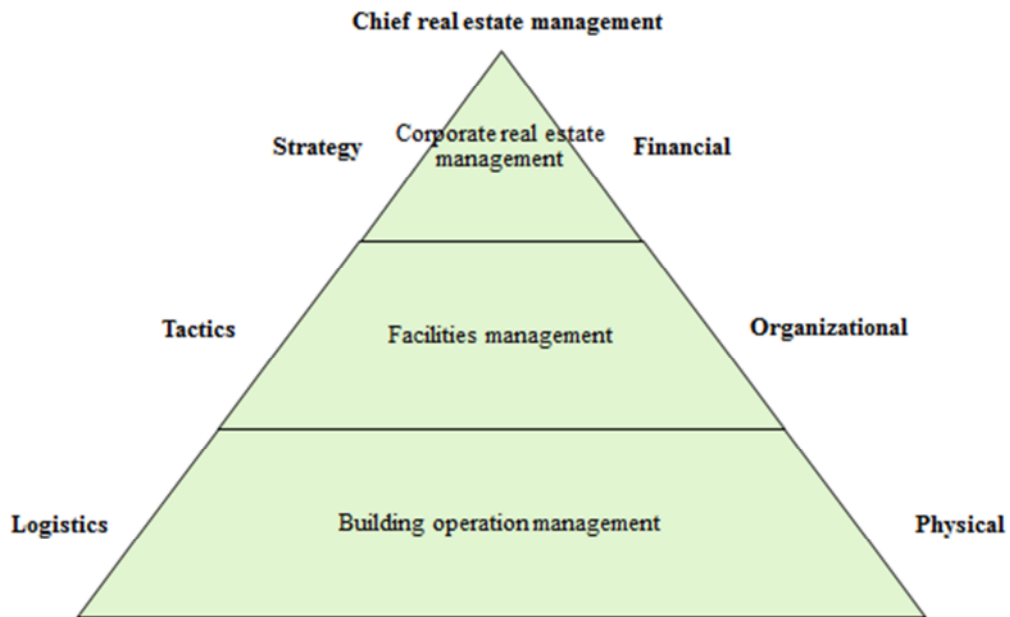
In addition to the literature review, this chapter includes results from the interviews of the two selected real estate experts from Finland and UK. Their view on the evolution and position of corporate real estate in the selected countries will be addressed in this section to add knowledge on the current status of corporate real estate management.

Literature-based conclusions on corporate real estate management and consultancy-client relationships are presented at the end of the literature review.

2.1 Scope and objects of corporate real estate management

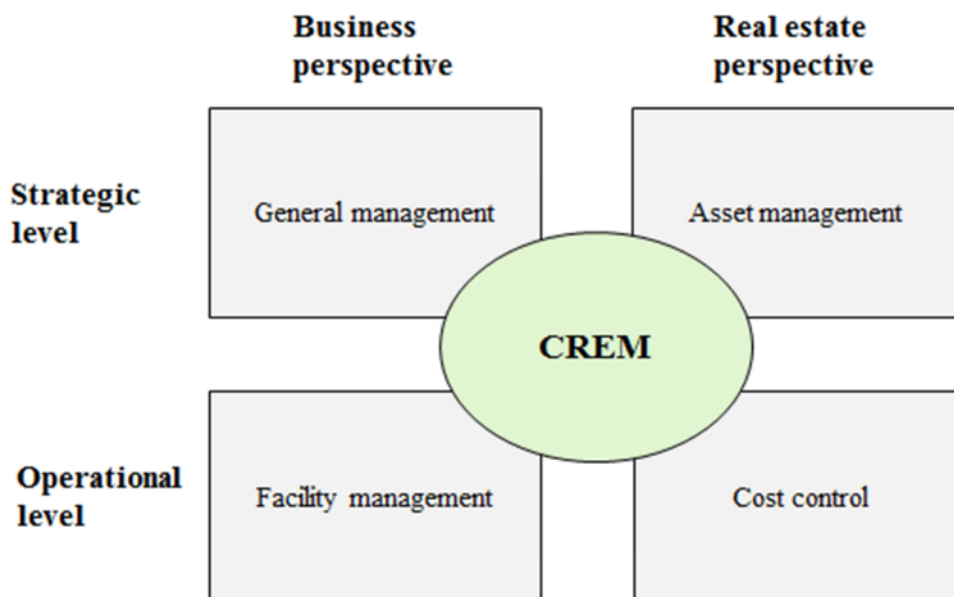
Corporate real estate management (further CREM) examines the real estate from a strategic point of view. The objective of CREM is to link the premises and real estate to the core business of the corporation (Dewulf, Krumm & Jonge 2003, p. 32). The aim is to create premises that serve the function and cost of the company's operations so that they provide the highest added value for the corporation. Nourse (1990) highlights the importance of the core business by describing CREM as the collection of activities related to acquisition, management, and disposal of real estate to achieve user objectives. Economic aspects are often emphasised and often the concept of CREM is viewed from different aspects and CREM is divided into different ways by several researchers.

Bon (1994) divides CREM into strategic, tactical and operational level, as well as into financial, organisational and physical level (Figure 2). According to Bon's model below a physical point of view is emphasised at the operational level which consists mainly of the property and facilities management. Organisational point of view, in turn, is emphasised at the tactical level, which is considered a primarily facilities management related functions. Economic point of view is, however, a strategic activity that sums up the whole back and forth at the top of the corporate real estate management.



Picture 2 Levels of chief real estate management (adopted from Bon et al 1994, p. 19)

Den Heijer (2011; p.108) and Dewulf, Jonge and Krumm (2003, p. 32-33), in turn, describe CREM in different management fields and divide CREM into four fields of focus. As shown in the figure below these four focus areas are strategic, operational, business and real estate. These aspects can be used to conclude that the corporate real estate management focuses on operational, facility and project management activities, facilitating users rather than ensuring alignment with strategic business plans. Hence, the focus should be more and more on how CREM is able to support the company's strategy and core business, rather than heavily concentrated on cost-savings.



Picture 3 The perspectives and fields of managing the real estate portfolio of the company (adopted from Heijer 2011, p. 108; Dewulf, Krumm & Jonge 2003 p. 32)

In addition Joroff et al (1993) have created corporate real estate management evolutionary model (Figure 4). In the model CREM objectives and perspectives are tied to the company's level of development. The more advanced CREM is, the more demanding and the wider challenges it is able to receive. There are a total of five levels of development. These levels are "Taskmasters", "Controllers", "Dealmakers", "Intrapreneurs" and "Business strategists" (Joroff et al 1993).

The first generation (Taskmasters) is a very technical perspective and the aim is only to produce the requested facilities. At this lowest level, the corporation has a very fair or none vision or strategy on corporate real estate.

The next level (Controllers) is already more concentrated on analytical thinking and gathering information from the premises and using the collected information for benchmarking. In addition, the real estate organisation is working to implement the senior management and to keep the cost under control. The strategy is more or less initiated from bottom up and concentrated on isolated projects. Common for these two first levels are limited functionality of technology and limited metrics. In addition to these, the customer experience is unknown concept and CREM could be stated to be decentralised.

In the third generation (Dealmakers) the strategy is more joined-up thinking and the real estate management has a perspective which tends to standardise the entire organisation's space development and to solve preventative problems of the business. The focus is more function or channel effectiveness and all most all the categories are operated in silo-levels.

At the fourth level (Intrapreneurs) the primary goal of the real estate management team is to create space that serve the core needs of the business as well as possible. The role of real estate management is to control and guide the business units of used space. At this level, the CREM is more customer focused and technology has strong functionality within the company.

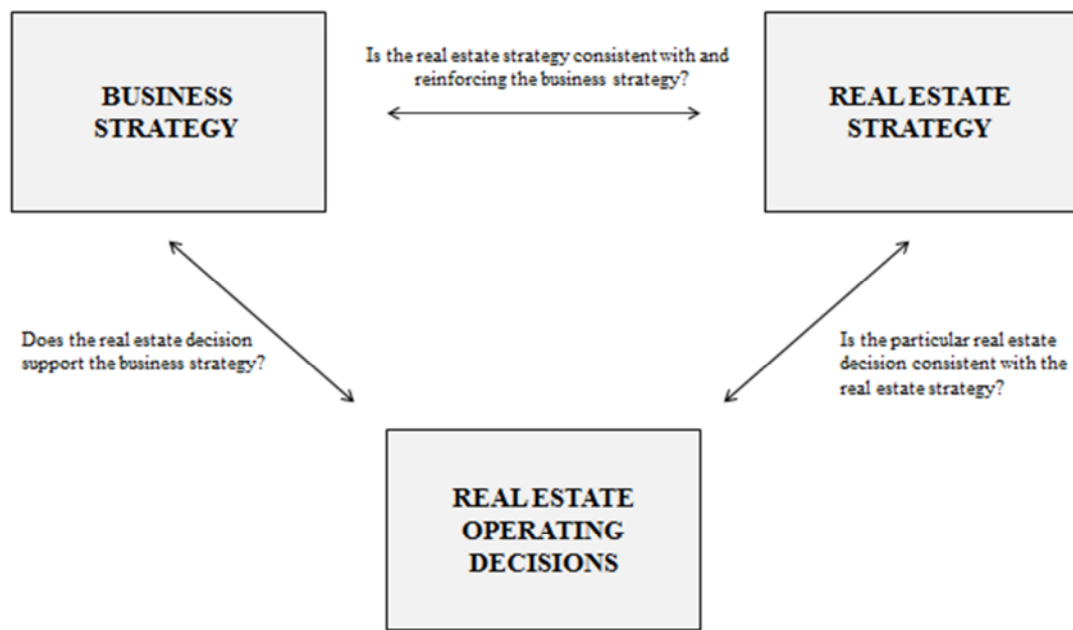
At the highest level (Business strategies) the real estate strategy is to focus on value based collaboration for mutual benefit and understand the wider scope. At this level information, objectives and customer centricity are shared. They are also aligned with the company's goals. The aim is to support the company's change management as well as to generate more innovation through the spaces (Joroff et al 1993, p. 27-28).

CATEGORY	1ST GENERATION "Taskmasters"	2ND GENERATION "Controllers"	3RD GENERATION "Dealmakers"	4TH GENERATION "Intrapreneurs"	5TH GENERATION "Business Strategies"
VISION	None	Initial productivity and visibility	Function or channel effectiveness	Intra-company integration	Value network enabled
STRATEGY	None	Isolated projects, initiated from bottom up	More "joined up" thinking but silo-oriented	Company-level CRM program	Value based collaboration for mutual benefit
CUSTOMER EXPERIENCE	Unknown concept; designs itself	Unknown concept; designs itself	Undersraining and focus at silo-level	Understanding and focus across the business lines	Understanding wider scope: collaboration
ORGANIZATIONAL COLLABORATION	Inward focus; silostructure	First signs of customer centricity, silostructure	Changing culture and effectiveness: silos	Customer-centric: reorganised by segment	Shared customer centricity: goal alignment
PROCESS	Inward focus; silo-oriented	Start optimizing for efficiencies; silo-oriented	Optimization at silo-level for cost and value reasons	Company-level optimization for cost and value	End-to-end process optimization
INFORMATION	Basic and fragmented	Team-based: fragmented, minimal insight	Shared information at silo-level: inside developing	Shared information and insight across the company	Shared information and insight beyond the company
TECHNOLOGY	Very fragmented, weak functionally	Fragmented: limited functionality and focus	Strong functionality within silos	Strong functionality within company level integration	Strong functionality: intergated beyond the company
METRICS	Few metrics; inward focus	Fragmented and limited metrics: operational focus	Focus on silo efficiency; lacks customer focus	Company and customer-focused hierarchy	Shared objectives and balanced metrics; aligned
	TECHNICAL	ANALYTIC	PROBLEM SOLVING	BUSINESS PLANNING	STRATEGIC

Picture 4 Evolution of corporate real estate management structures (adopted from Joroff et al. 1993, p. 27; CBRE Key Account Management 2013)

Based on these definitions and models above, it could be stated that CREM concerns every real estate and facility related issues in public and private organisation, whose core business is not in real estate business. The content and tasks of CREM varies from organisation to organisation, but common for all of them is the aim of supporting the core business (Lindholm 2006).

According to Nourse and Roulac (1993) this result will be achieved only by the explicit consideration of how real estate strategy supports business strategy and the sub strategies for component elements in the corporation and in return how real estate operating decisions support the real estate strategy. In order to create added value for the company, the established real estate strategy should be absorbed in the operational level because operational level of CREM has an actual influence on company's other critical component strategies such for such factors as human resources, operations, marketing, finance and information (Figure 5).



Picture 5 Business real estate decisions in a strategic management context (adopted from Nourse & Roulac 1993, p. 492)

There are several researches on real estate strategies (Gibler & Lindholm 2011; Roulac 2001; Nourse & Roulac 1993) which illustrate how strategic management of the corporate real estate function creates benefits for the company. Common for all of them are the eight real estate strategies, which have an impact on the performance of the company. In order to support the needs of the company in multiple segments, levels and purposes, the company should choose multiple real estate strategies instead of single real estate strategy:

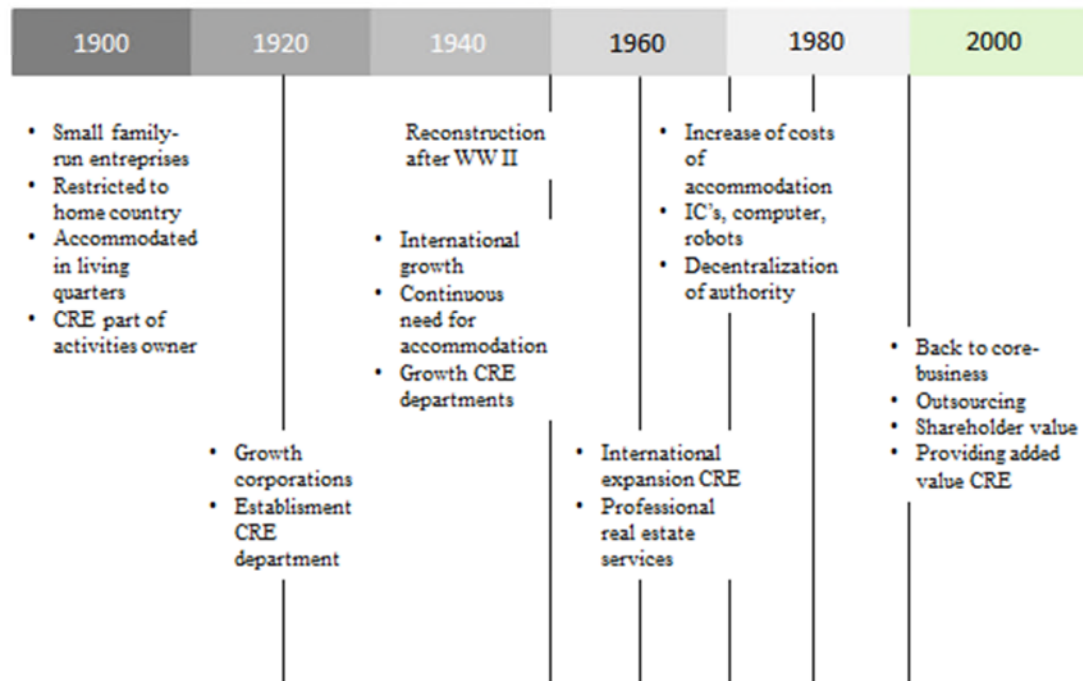
1. minimising the occupancy cost,
2. increasing the flexibility
3. promoting the human resources objectives,
4. promoting the marketing message,
5. promoting sales and selling process,
6. facilitating production, operations, service delivery,
7. facilitating the managerial process and knowledge work and,
8. capturing the real estate value creation of business.

Of course every organisation has different objectives and strategies, therefore a set of real estate strategies is necessary (Lindholm & Leväinen 2006). Managers can choose the most suitable strategy for their business environment and organisation's overall goals, thereby adding value to the firm. These above eight strategies should guide real estate tactical decisions in support of the firms overall objectives.

2.2 The evolution and development of CREM

Since the beginning of the twentieth century, activities related to corporate real estate have evolved from a side activity of the firm's founder or director to a creation of a separate

discipline within business management, often involving professional staff departments, and academe (Figure 5). The growth of corporations and commensurate expansion of their real estate portfolio triggered a need for managerial attention being paid to the matters on real estate (Krumm 2001, p. 276; Dewulf, Krumm & Jonge 2003, p. 105).



Picture 6 Evolution of corporate real estate management (adopted from Dewulf, Krumm & Jonge 2003 p. 105; Krumm 1998)

The expansion of business activities and changes in accommodation needs led to the setting up of staff departments involved in real estate and facility management. By the beginning of the 1930s several industrial corporations had established fully equipped real estate departments. These departments dealt with the entire range of technical disciplines, employing both architectures and engineers. According to Krumm (2001) and Dewulf, Krumm and Jonge (2003) the underlying objectives setting up of these departments were:

- to control construction activities (technically and financially);
- to standardise building design;
- to guarantee the availability of skilled employees and
- to create and maintain a corporate image in the architecture of the buildings.

In most cases the departments reported directly to the founder or director and in the organisational chart, the technical or construction departments were positioned next to the production and sales departments (Krumm 2001, p. 277-278; Dewulf, Krumm & Jonge 2003, p. 106).

From World War II up to 1960s most of the activities with regard to real estate were mainly focused on acquiring new accommodation. But the continuous need for buildings and land, combined with the desire to control the availability of talented and sufficient

workforce, resulted in a key role for these departments within corporations. Because of this corporations started to rethink the role of corporate staff and support functions. Decentralisation of authority from corporate headquarters to national organisations and/or operating companies began to influence the traditionally centralised role and position of their real estate departments. Central real estate departments were driven to adopt a more consulting role (Krumm 2001, p. 279).

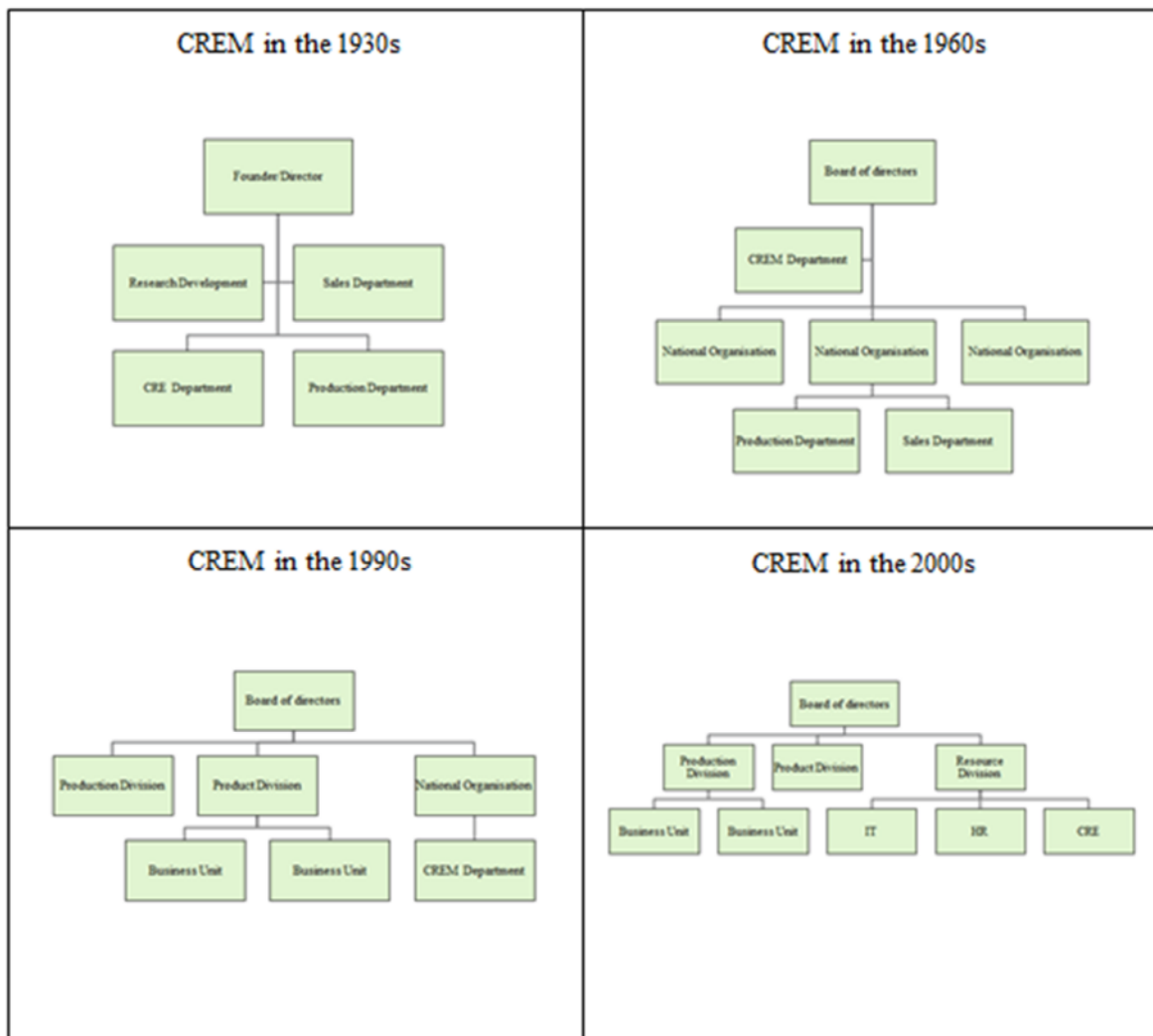
Continuous expansion of the individual operating companies and the consequent need for construction of accommodation demanded local capacity and knowledge. Real estate departments were becoming more and more involved with and restricted to setting guidelines and approving investment proposals. Corporations seeking to build accommodation were forced to control and employ staff to manage the design and construction process. In addition the lack of alternative means for financing forced corporations to acquire the properties in ownership. In order to finance their real estate corporations either had to finance the assets with equity or borrow the capital from financial institutions. The corporate focus on growth, and the desire of corporations to concentrate their financial resources in their core activities, resulted in an increase of demand for rental space and contributed professionalisation of the real estate market. Dewulf, Krumm and Jonge point out that (2003, p. 106) the first commercial real estate agents, consultants, and UK real estate investors emerged in the end of 1960s in the Dutch commercial real estate market.

The rising cost of accommodation as a result from the 1973 oil crises, combined with the widespread of computer and information technology in business processes, and globalisation of the market, stimulated managerial attention to real estate and real estate services (Dewulf, Krumm & Jonge 2003, p. 107). Compared to the first two continuous growth decades, the corporations encountered the first ripples on their pond of unbridled expansion. Rising competition and the increasing costs of doing business forced companies to rethink their existing structures and strategies, and look for alternative ways of organising support activities.

Departments managing a corporation's real estate portfolio benefited from both increasing rental incomes and the increasing capital values of their asset up until the 1980s. Since the late 1980s, this position has completely changed. Ebert describes (1993) that the 1980s stimulated a breakthrough of a new approach to the corporate real estate discipline. Increasing prices of real estate assets in the second half of the 1980s, not backed by cash flow generated from these assets, resulted in the "Japanese bubble economy". The bursting of that economy in 1991 resulted in a decrease in the value of the real estate asset not only in Japan, but also in the United States and was one of the reasons for the global recession. Even though the Lawson boom resulted in UK, the real estate showed favourable performance in the late 1980s through the end of 1990s (Pessoa & Reenen 2012). In Finland on the other hand, the government set up a so called "bad bank" Arsenal in 1993 to handle mainly the problem loans and real estate investments of Suomen Säästöpankki (Taloussanommat 2013). In addition to overvaluation, the global real estate market was also faced with a huge surplus of real estate properties.

Corporations needed to change their strategy because of the global recession: they reorganised, laid-off employees and reconsidered expenses. In the beginning of the twenty first century the corporate settings and the role and position of real estate management evolved. Also, the needs of the corporate centre and the operating companies with regard

to real estate changed. Traditional products and services based on the availability of skilled labour and scarce expertise were no longer a competitive advantage. The increasing demand posed on the operating companies and the corporate centre required a different kind of added value. The value of activities and the extent to which they fitted in with the core activities of the corporation determined which activities were of value to the bottom line of the corporation and therefore which of them should be remained inside the real estate or facilities department, and which should be contracted out (Dewulf, Krumm & Jonge 2003; Krumm 2001). In the late 90s, beginning of 2000, the field of accommodation and facilities became a management field in its own rights, and at the highest level (Figure 7).



Picture 7 The evolution of the position of corporate real estate management in the organisational structure from 1930 to 2000 (adopted from Krumm 1999 p. 109)

So historically, CREM has been very much towards tactically delivery of services: fix the building, repair the building, and maintain the building. And what is evolved and matured as the industries have evolved and got more capable, CREM has moved itself up in the value queue in terms what it can offer for the business. Moving away from simply providing tasks of the delivery to be recognised as a partner to the business to be able to be competitive and advantage.

2.3 Current status of CREM –Analysis of the expert interviews

This section analyses the expert interviews which were carried out during 9th of June and 13th of August 2014. The expert group included two participants, one expert from Finland and one from UK, and they were both interviewed face-to-face. These experts were chosen to be interviewed because of the high knowledge and expertise from the field of corporate real estate management. The series of questions are in the appendix 3 and use open-ended questions and sub questions. The questions were divided into four segments which elaborate the background of the participant and organisation, corporate real estate management in the organisation, used real estate advisory services and experiences of them, and contributing to consultant-client relationships. The questions are slightly different from the organisational interview questions presented in the empirical part because the expert interview questions concentrated more on the evolution and position of CREM in the selected countries. The analysis of the expert interviews was placed to the literature review to add knowledge on the current status of CREM.

Even though CREM has evolved and changed during the years, there are still seen some differences between the industries. Based on the analysis of the expertise interviews, the financial and technological sectors have led the way in the evolution and could be seen the most advanced in the evolution model from Joroff et al (Figure 4). According to the expert interviews the trend in CREM is towards centralisation and the companies are using outsourcing services more and more, which is a function of the capabilities of the markets and their service requirements. In the past there were only local suppliers and companies were better of self-delivering certain tasks themselves. So outsourcing to thousands of suppliers was complicated, whereas, now a big real estate advisory company can globally manage their entire requirements which in the past was not possible.

The analysis shows that the financial sector has the information and control to make the change to happen. In addition, they also have strong governance in the background to support them and central function where they report. Technological sector, on the other hand, has grown so quickly that they do not have the legacy of old portfolio to hold them back. Moreover, the analysis expose that the business culture of IT sector supports outsourcing because they sell outsourcing or deliver part of outsourcing solution. According to the experts, the manufacturing sector and some of the matured sectors have typically grown through acquisition or organically way.

The analysis shows that in most companies the trend is towards centralisation. For example in technology sector the key trigger is that the company grows very quickly from the central point out. In addition, the UK expert highlights that what was seen as a downturn in the recession (1990) was that if chief financial officers do not influence the performance of the balance sheet they need to give the people the power to help them to manage the assets and liabilities on the central bases. That has given whole new generation of real estate functions a mandate in this term to go and manage their real estate. The analysis shows that the challenge is that the budgeting controls still sit in in the local market which is the paradox of their mandate for the real estate team. Real estate team has the responsibility but not the accountability for the major leaders which are costs.

2.4 Consulting and corporate real estate

Consultants are an increasing prevalent aspect of business life today and firms outsource business functions to focus on core competencies and cut operating expenses (Gibler & Black 2004). There are almost as many definitions of consultancy as there are consultants; each consultant and consultancy has their own slant on the work that they do (Sadler 1998; Kubr 1992). According to Kubr (1992, p.5) consulting is essentially an advisory service. This means that consultants are not used to run organisations or to take delicate decisions on behalf of the managers. As businesses, both large and small, strive to deliver the best products and services they can at the lowest costs and under increasingly tough competition, it becomes more cost effective to hire external expertise for only the assigned contributions needed, rather than hire such experts full-time. Typically, such consultants have included law firms, accounting firms and advertising agencies (Prince et al 2012), but many corporations have outsourced partly or fully their noncore activities which allows the firm to increase managerial attention and resource allocation to those tasks that it does the best and where it holds a competitive advantage (Gibler & Black 2004).

As the business environment continuously changes, influences such as restructuring, globalisation and information technology to the firms way to conduct business, encouraging them to find ways to be more flexible and responsible. According to Gibson and Lizieri (2001) these trends alter the firm's real property and service needs as well as firm's real estate staffing requirements. Dess et al (1995) note that careful outsourcing of supporting or tangential activities may help firms to concentrate resources to build core skills. Dess et al (1995) add up that this heightened focus on core competencies may greatly enhance firm's performance by allowing the firm to become more innovative and agile in its core domain, enabling it to quickly respond to environmental shifts.

According to Dess et al (1995) outsourcing can decrease costs while allowing flexibility because reduced capital investment in overhead and technology. Though, as work becomes more complex, organisation may find that it cannot match the performance and cost of specialised service provider in non-core areas. Instead of, the firm may obtain the "best firm in the business" from specialised firms. Johnson (1995) and Glagola (1999) state that specialist organisations should focus their attention to a very narrow set of functions because then they may perform more successfully than could the outsourcing firm.

Outsourcing may entail hiring external providers to accomplish designated jobs or duties. Also, employing an outside firm to manage an entire real estate function formerly is possible. When outsourcing some of the real estate functions from the service providers, the corporate personal role is then to determine functions to be performed, manage quality control, coordinate with internal procedures and systems, integrate activities into corporate mission, evaluate contractor's activities, use information provided in internal decision-making processes and explain the impact of the work to senior management (Carn, Black & Rabianski 1999). Krumm (2001) states that in such arrangements the corporate real estate department becomes a corporate knowledge center that aligns internal real estate resources and capabilities and coordinates external relationships with service providers.

In Finland and UK, firms that provide corporate real estate advisory services are companies such as CBRE, Colliers, and JLL. International reports from Jones Lang LaSalle (2013) and Cushman & Wakefield (2013) show that more than 90 per cent of the interviewed companies have done collaboration with some kind of corporate real estate

advisory firm in the past three years. Only 8 per cent of the global companies have not outsourced any aspects of their CREM functions. This is a huge drop from 2011 when the same figure was over 24 per cent. This indicates that corporate real estate collaboration is catching up the other outsourced functions – HR, IT, and finance.

2.5 Consultancy-client relationship

In business-to-business environment, suppliers need to understand the nature and circumstances of their customers because of the unique characteristics of the customers acting as an organisation (Meyer & Schwager 2007). As business customers buy large amount of products and services, managing and maintaining loyal business customers can secure a supplier greater revenue. With attempts to fulfil the needs of business customers, many service providers engage in relationships with the business customers (Ryssel et al 2004, p. 197) and see the importance of customer relationship.

STAGE	OBJECTIVE	MEANS
COLD	"Ready receiver"	Show willingness to offer the prospective client something of personal or professional
CONVERSATION	Qualified vendor status	Knowledge of company's situation, industry trends, and possible personal implications for the "Ready receiver"
NEEDED ANALYSIS	Accepted proposal	Identify a real and relevant client need which the consultant is well qualified to address
FIRST ENGAGEMENT	Differentiated vendor status	Superior performance, impact and working style
ENRICHMENT	Preferred vendor status	Service provided, value added, the style or manner in which the service is provided and the ability to connect to client's plans
SOLE VENDOR	Partnership	Demonstrate partnership value

Table 1 Development stage of consultancy-client relationship (adopted from Stumpf & Longman 2000)

Relationships can be characterised in a variety of ways. The purpose and nature of relationship can be inferred from the way in which it is generated. The consulting process involves two partners – the consultant and his client (Kubr 1992, p. 39). And at its simplest, the client needs help with something they are unable to do or choose not to do for themselves, and the consultant offers assistance and expertise in one form or another in response to this need (McLachlin 1999; Sadler 1998). In other words, the consultant is there to identify, clarify and meet the needs of the client.

Stumpf and Longman (2000) and Booz-Allen and Hamilton (1992) have identified six development stages of consultancy-client relationship (Table 1). Beginning with a completely new situation (in the table 1 as cold), the consultant arouses interest by means of referral, personal notes, sent articles, or even conversations in chance to meet, with the object of showing a willingness to offer the prospective client something of personal or professional value. The objective is to create a “ready receiver” who will be willing to invest time in conversation with the consultant.

The conversation stage on the other hand is directed towards arousing interest, and establishing credibility, perhaps on the basis of extensive knowledge of the company’s situation, industry trends, and possible personal implications for the “ready receiver”. At the conversation stage the success is evolved toward a perception of the consultant as a qualified vendor (Stumpf & Longman 2000; Booz-Allen & Hamilton 1992).

In the third stage “qualified vendor” is identified by a real and relevant client need which the consultant is well qualified to address. According to Stumpf and Longman (2000) success at this stage requires extensive diagnostic skill and a willingness to listen, reflect, and alter their service offering to the client’s needs. The process of doing this often involves the opportunity to provide a proposal, and if done well, results in an accepted proposal. Some consultants may stay in stage three for weeks, some for months, and some even for years. Some might also be cast back in stage two if there are significant changes taking place in the client’s business or if a proposal submitted is rejected for reasons which cast doubt on the consultant’s qualifications in the first place. This suggests that personal patience and persistence are key factors to progressing to the next stage. In stage three exist a high risk for most consultancies because the desire to submit a proposal sometimes leads those involved in personal marketing to offer services they and their firm are unable to provide (Booz-Allen & Hamilton 1992).

According to Bootz-Allen and Hamilton (1992) the first test of the consultancy-client relationship occurs in the stage four when an accepted engagement plays out. Superior performance and impact are necessary to demonstrate the advantages and value of the client firm working with the consulting firm. At the stage four, the success results in the consultant being seen as a differentiated vendor (Stumpf & Longman 2000). The consultant becomes a distinctive service provider for certain kinds of work that links to their proven competencies. Continuing to add value more broadly and with more impact than in the initial assignment, may lead to the fifth stage: the attainment of which makes one a preferred vendor (Stumpf & Longman 2000; Booz-Allen & Hamilton 1992). When clients describe their preferred vendors, they tend to comment on the service provided, the value added, the style or manner in which the service is provided, and the ability of the provider to connect to their future plans. Finally, by continuing to increase value and impact, the consultant attempts to move to a position of sole vendor for its type of services and from this position proposes a partnership (non-vendor relationship).

In the corporate real estate sense, outsourcing of the cleaning of building would be out-tasking whereas outsourcing the corporate real estate function would be called outsourcing (Kooymans 2000). According to Rothery and Robinson (1995) at the one end of outsourcing scale from out-tasking concept is partnership which is defined as a strategy to achieve higher performance and/or lower costs through joint, mutually dependent action of independent organisations or individuals. Therefore, partnership is a natural evolution of

outsourcing (Kooymans 2000) and Joroff et al (1993) refer to “partnering” in context of corporations using outsource suppliers for the more corporate real estate work.

2.6 Agency problem in corporate real estate consulting

As mentioned growing number of firms are hiring outside specialists to provide various real estate services with varying degrees of success and satisfaction with arrangements. According to Gibler and Black (2004) it can be difficult for the organisation to determine whether the service provider is efficiently supporting the company’s objectives and a mismatch between the firm’s objectives and the actions of the service provider may lead to agency costs to the firm outsourcing.

Agency theory is based on the relationship between a client/principal and an agent who is delegated authority to act on the client’s behalf (Gibler and Black 2004). As Eisenhardt (1989) notes agency theory deals with relationships between a principal and an agent who are engaged in cooperative behaviour, but have a different goals and attitudes towards the risk. Jensen and Meckling (1976) add to this that the concern is that the agent will maximise self-interest at the expense of the client.

When hiring outside professionals such as real estate service providers, the company is hiring the individual’s knowledge as well as labour to complete the task. The service provider is perceived as an expert with superior specialist knowledge that the corporate personal does not possess (Sharma 1997). Gibler and Black (2004) state that such knowledge agents pose a particular problem for communication, monitoring and control by non-specialist corporate personal. Client who do not possess the task-related knowledge of real estate, also do not know what standards of practice to apply to accomplish and evaluate the specific task. The client may hire the agent not only to executive the task, but also to define the scope of the work and set the client’s expectations. According to Freidson (1983) the client may ask the agent to determine what needs to be done, how to do it and the standards that should be used to evaluate performance.

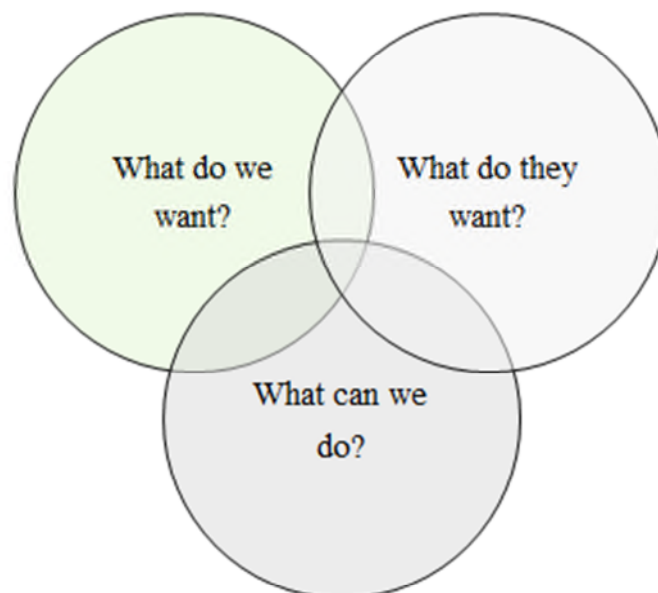
To achieve corporate goals, the client must work closely with the consultant/agent to ensure that the interests of each party are being fulfilled. According to Dess et al (1995) companies need to find a loyal, reliable vendor who can be trusted and who share the common vision with the client company. Gibler and Black (2004) also mention that the client must effectively communicate company’s objectives and expectations to provider to ensure the understanding. In addition, the provider must agree to support the client’s objectives and assist the client in using real estate to achieve corporation’s goals. However, a risk exists here because there might be a chance that the service provider will neither understand the client’s objectives nor behave in a self-serving manner that reduces the benefits to the client from outsourcing.

One other possible cause for mismatch in expectations and outcomes is according to Gibler and Black (2004) provider’s lack of knowledge of corporation’s culture and history. The service provider must understand that practices and procedures that are appropriate for one client may not be successful with another - informal communication and indoctrination is no one’s benefit. Another possible source of problems is lack of agreement between the client and service provider. Consultants may believe superior specialist knowledge enables them to better evaluate the client’s needs and make decisions right. However, such a belief

could lead to the service provider either pursuing actions not preferred by the client, arguing with the client to explain “what is best”, or miscalculate the workload.

2.7 Maintaining and continuing relationships

As the real estate advisory firms are engaging in relationships with the client, the continuing relationship requires continuing benefits (Stumpf & Longman 2000). The nature of this is clearer in some professional relationships than in others. According to Kubr (1992) and Sadler (1998) basis supporting long-term consultancy-client relationship must be developed by identifying the actual “wants” of the client. “What do they want?” can be a very simple-minded question, but clients have “wants” concerning how that help is delivered, and “how” issues go directly to the character of the relationship and additional career competencies the consultant must develop to survive.



Picture 8 W-cup of three “what” questions (adopted from Stumpf & Longman 2000)

To begin, clients want the same kind of things that they want from their full-time employees. Maister (1997) has created a list of these and according to his study excellent employees

- take pride in their work, and show a personal commitment to quality;
- reach out for responsibility;
- anticipate, and don’t wait to be told what to do;
- do whatever it takes to get the job done;
- get involved and don’t just stick to their assigned role;
- are always looking for ways to make things easier for those they serve;
- are eager to learn as much as they can about the business of those they serve;
- really listen to the needs of those they serve;

- learn to understand and think like those they serve so they can represent them when they are not there;
- are team players;
- can be trusted with confidences;
- are honest, trustworthy, and loyal;
- are open to constructive critiques on how to improve.

It can be stated from above that clients expect professionalism, objectivity, integrity, deep and up-to-date expertise, and dedication to advancing their interests first and foremost. According to Harben (1995) clients expect to find people who are interesting, curious about everything, and tactfully prepared to question anything. They also expect responsiveness, and of course they expect quality of work (Stumpf and Longman 2000).

According to Stumpf and Longman (2000) quality of work begins with dedication to solving a problem rather than dedication to applying a method. Clients have every reason to expect the solution to be precisely suited to their situation and capabilities. In particular clients want results that are:

- Usable, with information in actionable form, and advice or plans that have a clear, understandable, approach for implementation.
- Feasible, with implementation placing bearable strain on personnel and resources.

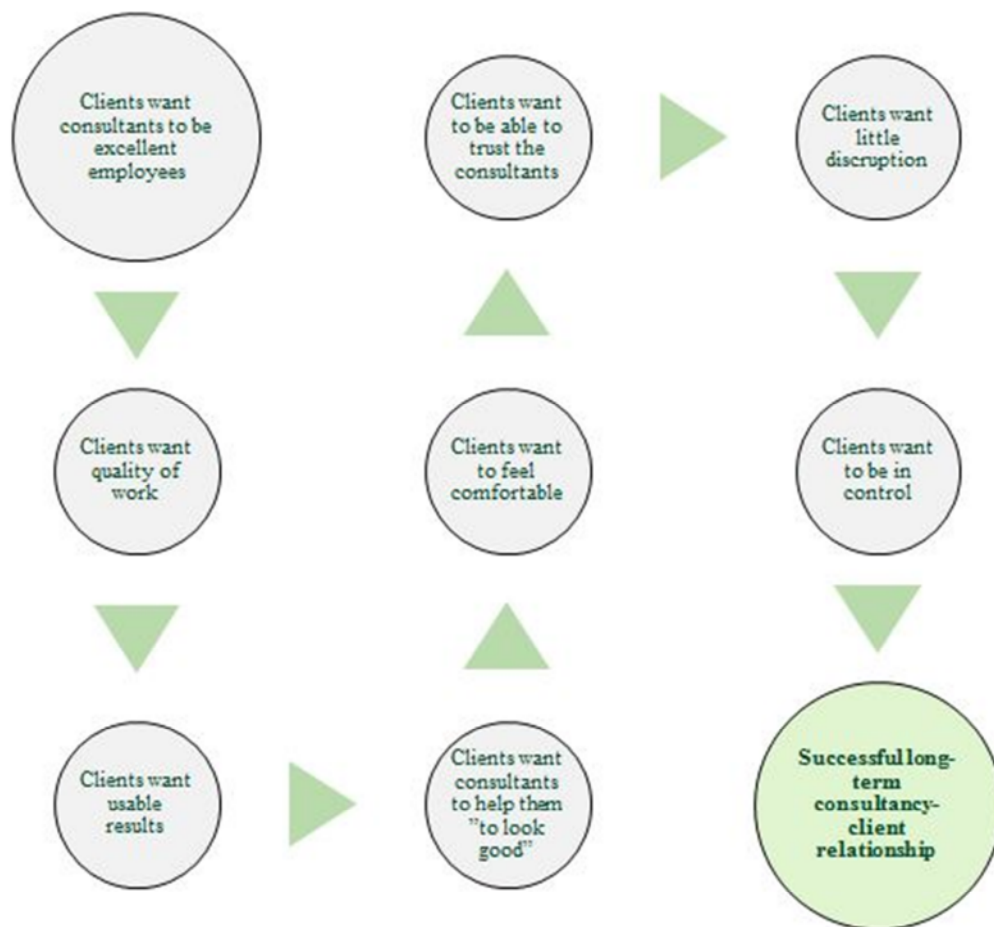
No matter how excellent the work is in any other aspect, failure on either of these points will give them something they don't want, in other words, an unusable result. Usable results will only work if key client-side employees buy in. Stumpf and Longman (2000) note clients want results that can be sold and thereby used within the firm to improve performances – including their own. Whether the buy-in comes from the board of directors or from line managers who will have to make it all work, they will have to come to believe that the indicated actions must and can be taken (McLachlin 1999). While the clients are ultimately responsible for the internal sale of ideas to other employees, they want significant help from their consultants to make sure it goes smoothly and successfully. Also a clear agreement helps both the client and the consultant to ensure the quality of work. McLachlin (1999) states that it helps the client by forcing some clear thinking on promises and expectations, but it also helps the consultant to lower unrealistically high client expectations so that the quality of work is still positive.

Clients want to look good as a result of the consultants' work. According to Stumpf and Longman (2000) the client generally wants to look good up the line, but there are occasions when just to look good is critical importance, particularly in service businesses. The client wants the consultant to understand what is necessary to produce this result and to provide it. Clients also want to feel comfortable working with consultants, but feeling comfortable is not to be interpreted to mean that clients want to feel comfortable with every consultant question asked or analysis presented.

Clients want to be able to trust the consultants as people, and to trust the recommendations is the output of bright people (McLachlin 1999). This is not simply a matter of not betraying confidences; it involves feeling that the consultant understands the client's personal situation and will work to better it. It means that while the consultant may question accepted wisdom, the consultant will not act violently of the culture of the client

organisation. This means that the consultant accepts the permission to question; he or she will not violate the values of the client, but seek to share and reinforce them.

Stumpf and Longman (2000) state that clients want minimal disruption during data-gathering stages of engagements. This does not mean that restructuring, with its attendant chaos, is out of bounds as an option to be presented later. The employees have information that the consultants need to do their job, but employees also have their regular assignments to deal with. The clients should maintain the responsibility for the consulting engagement if they want to feel in control (McLachlin 1999). Stumpf and Longman (2000) point out that clients want control of the agenda and they want to be able to influence the pace and manner in which work gets done. They most definitely want to feel in control when it comes to matters of cost. They want to feel that they can afford what they've bought.



Picture 9 Route to successful long-term consultancy-client relationship (adopted from Stumpf & Longman 2000)

Building a client relationship requires providing many kinds of things clients want (Picture 9), while maintaining the objectivity and integrity required by professionalism. If clients want many of the same things from consultants that they value in good employees, consultants need to understand the client's business fully which is prerequisite to do quality of work. According to Stumpf & Longman (2000) providing professional service is, of course, necessary. Keeping up to date on relevant literature, obtaining appropriate training, presenting findings and options objectively, observing the values of consultant

firm, demonstrating commitment to client interests and the like are a price of entry to a long relationship.

2.8 Conclusions

Corporate real estate management has evolved and changed during the past decade. Historically CREM has been very much towards tactically delivering the services: fixing the building, requiring the building, and maintaining the building (Krumm, Dewulf & Jorge 2003). In Joroff et al (1993) evolutionary model CREM objectives and perspectives are tied to the company's level of development. As the industries have matured and got more capable, CREM has moved itself up in the value queue in terms what it can offer for the business. It has moved away from simply providing tasks of the delivery to be recognised as a competitive and advantaged partner to the business. The more advanced CREM is, the more demanding and the wider challenges it is able to receive (Joroff et al 1993). The focus in CREM should be more and more on how CREM is able to support the company's strategy and core business, rather than heavily concentrate on cost-savings (Dewulf, Jonge and Krumm 2003, p. 23-33).

Even though the content and tasks of CREM vary from organisation to organisation, the aim of supporting the core business is the same. This result will be only achieved by the explicit consideration of how the real estate strategy supports the business strategy and vice versa. In other words, these two strategies need to walk "hand in hand" in order to create the added value for the corporation (Nourse & Roulac 1993). In order to create the added value to the firm, the established real estate strategy should be absorbed in the operational level because operational level of CREM has an actual influence on company's other critical component strategies such as HR, operations, marketing, finance and information. Due to this, the managers need to choose the most suitable strategy for their business environment and organisation's overall goals. Of course every company has its own objectives and business strategy, therefore the real estate strategies vary from company to another (Lindholm & Leväinen 2006).

As the business environment continuously changes, it encourages firms to find ways to be more flexible and responsible. Corporation can employ an outside firm to manage fully or partly their real estate functions and companies are using outsourcing more and more. Dess et al (1995) note that careful outsourcing of supporting or tangential activities may help firms to concentrate resources to build core skills. Focusing on core competencies may greatly enhance firm's performance by allowing the company to become more innovative and agile in its core domain, enabling it to quickly respond to environmental shifts. Employing an outside company to manage some of the real estate functions, the corporate real estate department's role becomes a corporate knowledge center that aligns internal real estate resources and capabilities and coordinates external relationships with the service provides (Krumm 2001). According to Dess et al (1995) the companies need to find a loyal, reliable vendor who can be trusted and who share the common vision with the company.

Hiring external professional such as real estate service provider, the company is hiring the agent's knowledge as well as the labor to complete the task (Sherman 1997). However, companies are receiving different degrees of success and satisfaction with different real estate arrangements. According to Johnson (1995) and Glagola (1999) specialist organisations should focus their attention to very narrow set of functions that they can

perform more successfully and they can achieve the corporate goals. In addition, to achieve the corporate goals and to avoid agency costs, the client must work closely with the agent to ensure that the interests of each party are being fulfilled (Gibler & Black 2004). Moreover, with attempts to fulfill the needs of the client, many service providers engage relationships with the business customers and see the importance of the relationship (Ryssel et al 2004, p.197).

Relationships between the client and consultant can be characterised in variety of ways. One way is to identify the relationship in six development stage (Stumpf & Longman 2000; Booz-Allen & Hamilton 1992): “cold”, “conversation”, “needed analysis”, “first engagement”, “enrichment”, and “sole vendor”. The three last stages are important in terms of the research questions because in these three stages the consultant has engaged in relationship with client, whereas, the first three tend to be only permanent or short-term relationships. Common for all these three stages is the added-value and advantage for the firm from the used services. Adding more and more value and giving more than just the initial assignment and having the ability to connect to the company’s future plans will finally lead to the partnership which is the highest stage of development. Partnership can be also defined as a long-term relationship where the service provider is seen as the only one preferred vendor. To be able move up to the next level in the development stage and continue the relationship, the consultant needs to understand the business client’s business fully, but also the actual “wants” and “needs” of the client (Stumpf & Longman 2000; Kubr 1992; Sadler 1998).

The literature expose that clients want consultants to be excellent employees; they expect professionalism, objectivity, integrity, deep and up-to-date expertise, and dedication from them. They want responsiveness and quality of work which needs to be usable, but feasible. They want usable result which can be sold and thereby used within the firm to improve performances. Clients also want to look good as a result of the consultant’s work and feel comfortable working with the consultant. They want minimal of disruption during the data gathering stages of engagements and they want to control of the agenda. Because no relationship is considered to be a good one without trust, the clients want to be able to trust the consultants as people and according to McLachlin (1999) to trust the recommendations is the output of bright people.

3 Empirical part

The empirical study is based on four working hypothesis which are constructed and shaped from the findings of the literature review. The empirical data for the analysis is collected through face-to-face and telephone interviews which were semi-structured interviews with open-ended questions. The data analysis has been conducted using the “bottom-up” approach in which the collected data has been reviewed iteratively until a comprehensive set of themes has been established (Creswell 2009, p. 56).

During the empirical study the interviewees’ meanings have been emphasised and the researcher’s meanings and literature findings have been understated in the best possible way. Taking into account the nature of the interviews, only the relevant issues of the interviews were collected and for example the emotional states of the interviewee were left out of notion. In the end of the empirical part is conclusions found in the interviews which discuss the accuracy of the working hypothesis.

3.1 Working hypotheses

For the conceptual framework of the empirical study four working hypotheses are assembled as a declaration of expectation. The aim of the working hypotheses is to channel the focus of the empirical analysis to produce meaningful answer to the research questions of this study. The four working hypotheses were constructed based on findings of the literature research. The working hypotheses are following:

H1: The evolution and position of corporate real estate management is in different stage depending on in which industry the company operates

H2: Real estate advisory services are part of corporate real estate management

H3: Organisations use real estate advisory service providers to add knowledge and expertise that is not found inside the organisation, but also at the same time to lower the costs

H4: Factors which contribute to the successful long-term consultancy-client relationships are factors such as commitment, communication, trust, productivity, sharing information, employee alignment and enhancement

These four working hypotheses reflect the research questions of this study. The first working hypothesis seeks to discover solutions to the first research question which ask how does the evolution and current status of corporate real estate management differ in different countries and can it be specified in different industries. The second and third working hypothesis seek to find answers to the second research questions which concerns why organisations use or do not use corporate real estate advisory services. The last working hypothesis targets to discover factors that contribute to the successful long-term consultancy-client relationships which is the third research question.

3.2 Data collection procedures

The data for the empirical study has been collected through interviews. The interviews have been completed in natural settings to the participants and executed as semi-structural

interviews with two different settings where a part of the participants were members of the management team and other part were experts in the field of corporate real estate management. The findings of the expert interviews were already discussed in literature review, section 2.3.

The interviews were conducted during 9th of June 2014 and 13th of August 2014. The interviews were done in collaboration with CBRE Finland and UK. Altogether the empirical part consists of interviews from 11 different occupier organisations. All interviews were done either as a face-to-face or as telephone interviews and each interview session took approximately one hour. Both face-to-face and telephone interviews were used because some of the interviews were geographically dispersed. The discussions were recorded with a recording tape and transcribed afterwards to capture all the relevant issues of the conversations.

Organisation interviews were the majority of the research and there were 11 participating organisations. Seven of these occupier organisations were interviewed as face-to-face interviews and four of them were interviewed as telephone interviews. From every company the interviewee was from the real estate management department and a member of the management team. The working tasks of the participants were related to real estate.

All the interviews have the same core idea. The series of questions are in the appendix 2 and use open-ended questions and their sub questions. The questions were divided into four parts sections which elaborate the background of the participant and organisation, corporate real estate management in the organisation, used real estate advisory services and experiences from them, and factors contributing to consultant-client relationships. The first series of questions uses 21 open ended questions and 24 sub questions.

3.3 Overview of the interviewed companies

All of the organisations located in Europe, five of them in Finland and six of them in UK: In general, all of the organisations have international business activities, but the scope of the international business activities varies. The interviewed organisations were Elisa, ExxonMobil, Google, IBM, Itella, Microsoft, Pfizer, RBS, Sanoma, StoraEnso and Tieto. All of the organisations are from the private sector and are operating in different business fields as shown in the table below (table 2). The organisations have been divided into four categories (MSCI 2014) in order to be able to refer to them in the analysis section. These four categories are ICT and telecommunication, industrial and energy, logistics and media, and last but not least pharmacy and financial.

Company	Size of organisation	Interviewed country	Field of business	Background of the company
Elisa	Medium	Finland	ICT and telecommunication	Elisa is a telecommunications, ICT and online service company offering services both to consumers and business clients (Elisa 2014).
ExxonMobil	Large	UK	Industrial and energy	ExxonMobil is a large international oil and gas company (ExxonMobil 2014).
Google	Large	UK	ICT and telecommunication	Google is an American multinational corporation specialized in internet-related services and products (Google 2014).
IBM	Extra Large	UK	ICT and telecommunication	The core businesses of IBM are IT and consulting (IBM 2014).
Itella	Medium	Finland	Logistics and media	Itella on the other hand provides postal, logistics and e-commerce services in eleven countries (Itella 2014).
Microsoft	Extra Large	UK	ICT and telecommunication	Microsoft is a multinational software company which develops, manufactures, licenses, supports and sells consumer electronics and personal services (Microsoft 2014).
Pfizer	Large	UK	Pharmacy and financial services	Pfizer is an American multinational pharmaceutical corporation (Pfizer 2007-2013).
RBS	Large	UK	Pharmacy and financial services	RBS is a UK-centered bank providing financial services for private and business customers (RBS 2014).
Sanoma	Medium	Finland	Logistics and media	Sanoma is a media group in the Nordic countries with operations in more than 10 European countries (Sanoma 2014).
StoraEnso	Medium	Finland	Industrial and energy	StoraEnso operates in paper, biomaterials, wood products and packaging industry (StoraEnso 2014).
Tieto	Medium	Finland	ICT and telecommunication	Tieto provides IT and product engineering services (Tieto 2014).

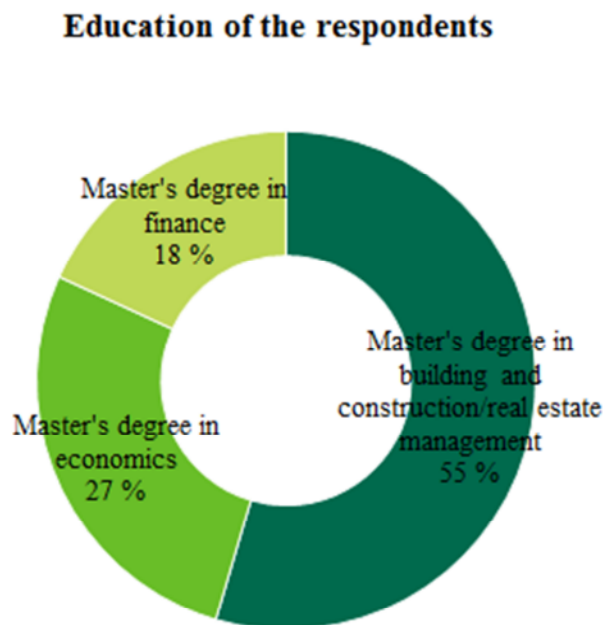
Table 2 Interviewed organisations

3.4 Analysis of the interviews

This section analyses the interviews which were carried out during 9th of June and 13th of August 2014 in Finland and UK. Most of the interviews were carried out as face-to-face interviews, and the rest of them were interviewed as telephone interviews.

3.4.1 Background of the interviewees

As mentioned above all the companies operate in different business field and have operations in Finland and/or in UK. All eleven interviewees are in a management position in the real estate department. Six of the interviewees have a master's degree either in building and construction or real estate management and the rest of them hold a master's degree in economics or finance (Figure 10).

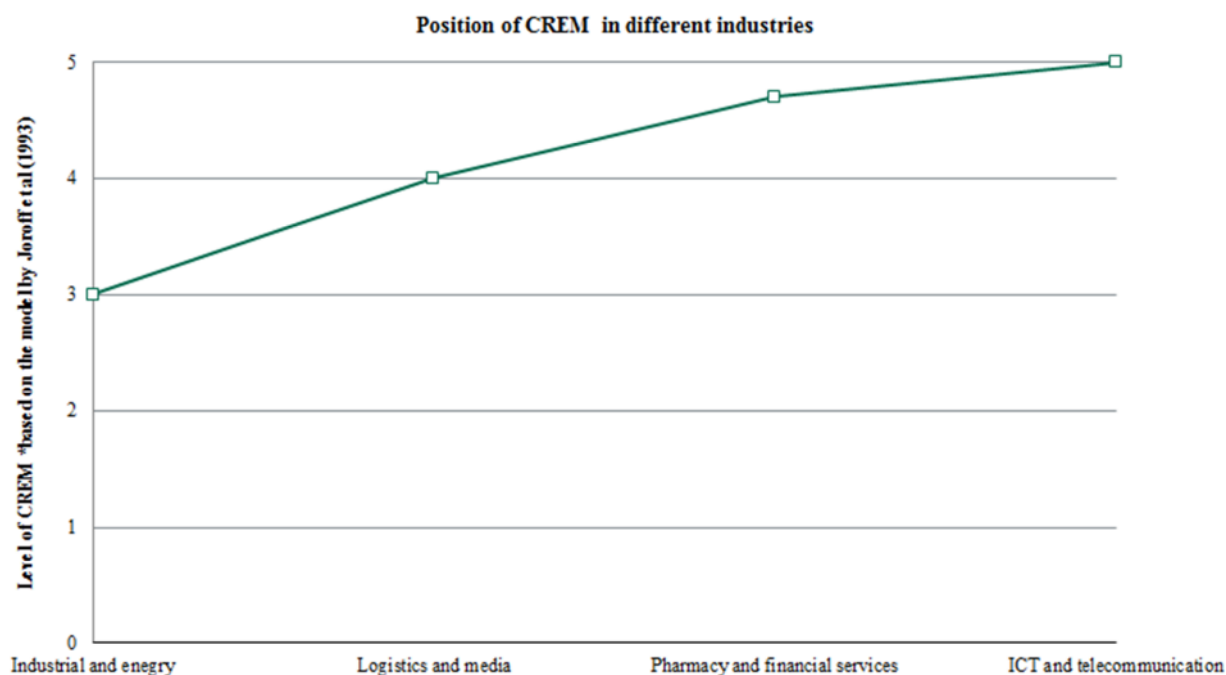


Picture 10 Education of the respondents

The analysis reveals that almost all of the interviewees have been in the real estate industry more than 10 years, the average being 15 years. Most of the participants have been in the same position more than 5 years and have been in a similar kind of position in another company. The tasks of the UK interviewees may vary but the day to day tasks are compounded of real estate issues established in Europe, Middle East and Africa (EMEA). In addition to this, few of them are also involved in the tasks related to Asia Pacific. Tasks of the Finnish interviewees are mostly related to real estate functions in Finland. In addition, the Finnish interviewees may give ad-hoc consultancy to the other units of the company in other European countries due to lack of local real estate team.

3.4.2 The status of CREM and development in the organisations

This chapter analyses the position and development of corporate real estate management in the occupier organisation. Analysis of the evolution of CREM in organisations shows that the evolution and position of CREM varied from organisation to organisation depending on the industry in which the company operates. The analysis shows that the more developed and capable the organisation is, the more advanced level CREM is (Figure 11).



Picture 11 Evolution position of CREM in different industries (based on the evolution model of Joroff et al 1993)

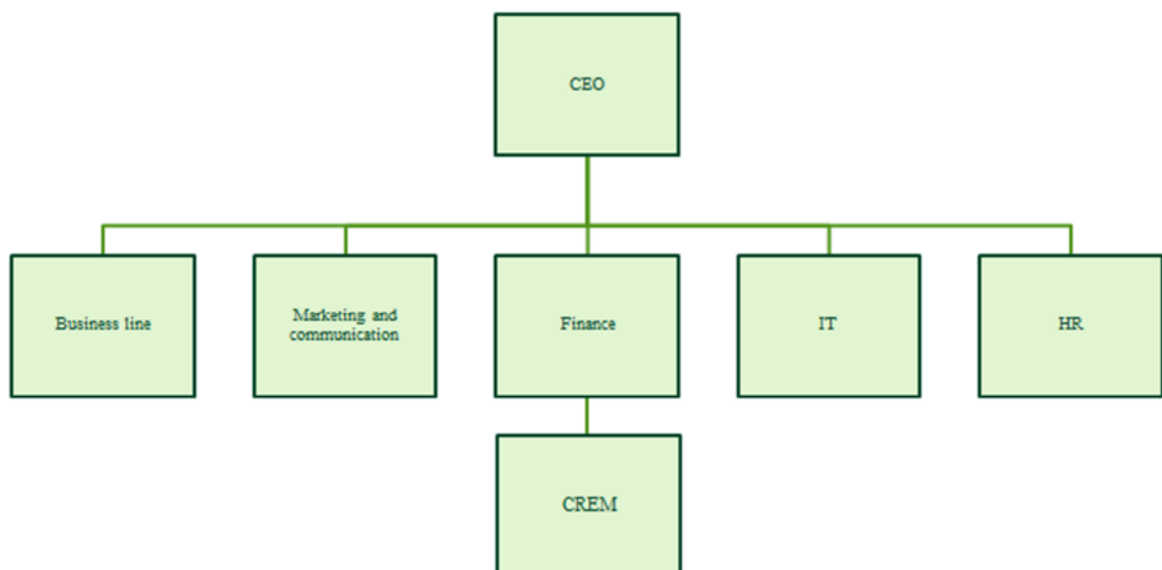
The analysis shows that common for all the companies is the aim of supporting the core business of the company. All the interviewees emphasise this as the main pillar of their real estate strategy. The analysis shows that in some of the matured organisations (industrial and energy) the corporate real estate management is more focused managing the steady real estate portfolio cost-efficiently and with low risk, whereas, in some of the younger organisations (ICT and telecommunications) the tasks are more related to managing the construction and delivery of office space in terms of growth of the company and business needs, likewise managing it cost-efficiently.

The size of CREM departments varies from organisation to organisation. The analysis expose that in some of the large organisations CREM team is more than 40 internal employees, whereas, in some of them there is only 10 or less internal employees. In the medium enterprises the team size varies from 3 to 10 internal employees. Moreover, the number of external employees varies from 2 to 20 depending on the size of the internal team. Depending on the size of the real estate portfolio, some of the organisations have also a separate real estate departments in other European countries. Therefore, the analysis suggests that the size of the organisations does not affect to the size of the real estate department.

The analysis reveals that around 80 per cent of the companies have a centralised real estate model, whereas, 20 per cent described it to be either decentralised or mix of both. The

structure might also vary geographically within the company, as even though the company has a centralised real estate model in Finland and UK, it does not automatically mean that they have the same model in the other European countries. Many of the respondents said that they would want to introduce the same operating model to the other countries where they are operating but they do not have same resources or a dedicated real estate department. The model varied also between the industries. The interviews suggest that in the ICT, telecommunication, financial and pharmacy sectors the real estate model is centralised, whereas, in the matured industries the real estate model is still decentralised.

The analysis shows that 45 per cent of the real estate departments of the interviewed companies are under finance in the organisational chart (Picture 12) and report to the chief financial official (CFO). Moreover, 20 per cent of the respondents report to CFO but the real estate department is either own organisation or under corporate services. In addition, around 27 per cent of the real estate departments are either under management or marketing and they report either to CIO or global real estate manager. Around 72 per cent of the interviewed companies characterised having a good mandate in the company. One of the interviewees highlights trust to be a key factor contributing to the mandate in the company: *“Most of the mandate comes from the CFO who trusts us, but we also have the trust of the business. There are a number of different variables that you have to make sure when you perform. And when you perform well, the better the trust and mandate is”*.



Picture 12 Position of CREM in the organisational chart

Most of the interviewed companies described having some challenges working with the business. Even though they all highlighted that the two strategies, real estate and business, walk hand in hand and that they work close with the business. One of the interviewees points out that “there is always attention between the business and real estate department”.

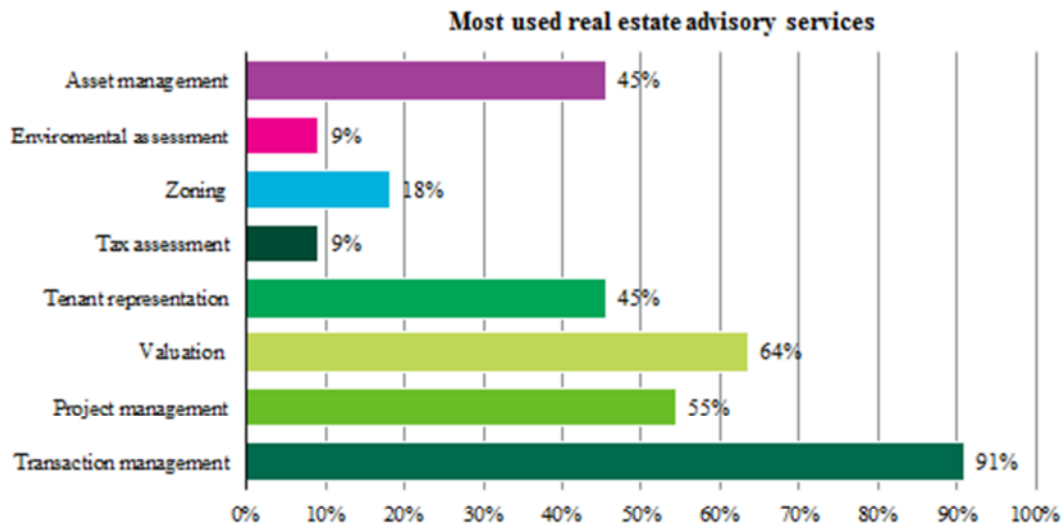
The analysis shows that there are some small subjective issues which emerge in the discussion with the business. In most cases the reasons that affect to the co-operation with the business are previous experience and views of working with the real estate department. Of course there were exceptions; some of the companies described not to have any challenges working with the business and they described having a strong mandate which comes from the CFO.

All the interviewed companies have had some changes in the CREM department in the last 5 to 8 years. The most changes have happened in the size of the team and management, in the size of portfolio, in the tasks and in the outsourced services. In most cases the team size had decreased and the trend is towards centralisation. Before there used to be a big management/leadership team taking care of the real estate in different countries, but now in some of the interviewed companies the leadership team has decreased leaving only one person taking care of the whole portfolio regionally or even globally. Moreover, most of the interviewed companies prefer to lease than own the properties they operate. One of the interviews described this as *“a massive drive to reduce the square foot on the face of the efficient ways of working”*. And for example in their office portfolio they had gone down from 13,000,000 square foot to 3,000,000 square foot. The interviewees also saw that CREM will move more and more away from just transaction management around space and leasing or buying to offering solutions to personal how they do their work. As the size of the team has decreased, the internal employees have been replaced with external employees. The analysis shows that more and more of the real estate services have been outsourced. Around 80 per cent of the interviewed companies have engaged in relationship with a real estate advisory firm. In addition, many of the respondents saw that the core competence has increased during the years, and CREM is more established and controlled than before because the technology has developed and there is better real estate software available.

3.4.3 Experience with CREM advisory service providers

This chapter analyses the experiences of the interviewed companies with the CREM advisory service providers. The analysis of real estate advisory services shows that all interviewed companies have used some kind of real estate advisory service. As mentioned above more than 80 per cent of the respondents have engaged in relationship with a real estate advisory firm. Nonetheless, none of the companies had outsourced fully their real estate functions. Both matured and young companies had outsourced partly their real estate functions and used real estate specialist as advisors either daily basis or occasionally. The analysis expose that the UK companies are more willing to outsource their real estate functions than the Finnish companies.

The commonly used services in these interviewed companies were transaction management, project management, and valuation. Also, tenant representation service is often required. The most used real estate advisory service was transaction management, especially sales advisory, with 91 per cent (Figure 13). Seven out of 11 respondents used repeatedly property valuation and 55 per cent of the interviewed companies have used or use project management services. Also, tenant representation and asset management were commonly utilised, both with 45 per cent.



Picture 13 Most used real estate advisory services

Seven out of eleven had a global agreement with some real estate advisory firm and they had used almost all the mentioned services above. Reasons to use the real estate advisory services varied from organisation to organisation. The analysis showed that if the know-how is not found internally, the company would approach a real estate advisory firm with the task. In addition, companies with global agreement described to use the services because of the lack of internal knowledge and understanding of the real estate market. In addition to this they reach higher level of performance and better solutions by outsourcing, but they also get the ability to flex on labor and skill resource which is not possible internally. So outsourcing some of the services allows smaller team size, but likewise cost-efficiency. Most of the respondents said that when the real estate advisory services are centralized to one service provider, the services, quality of work and track record are effortless to manage and follow.

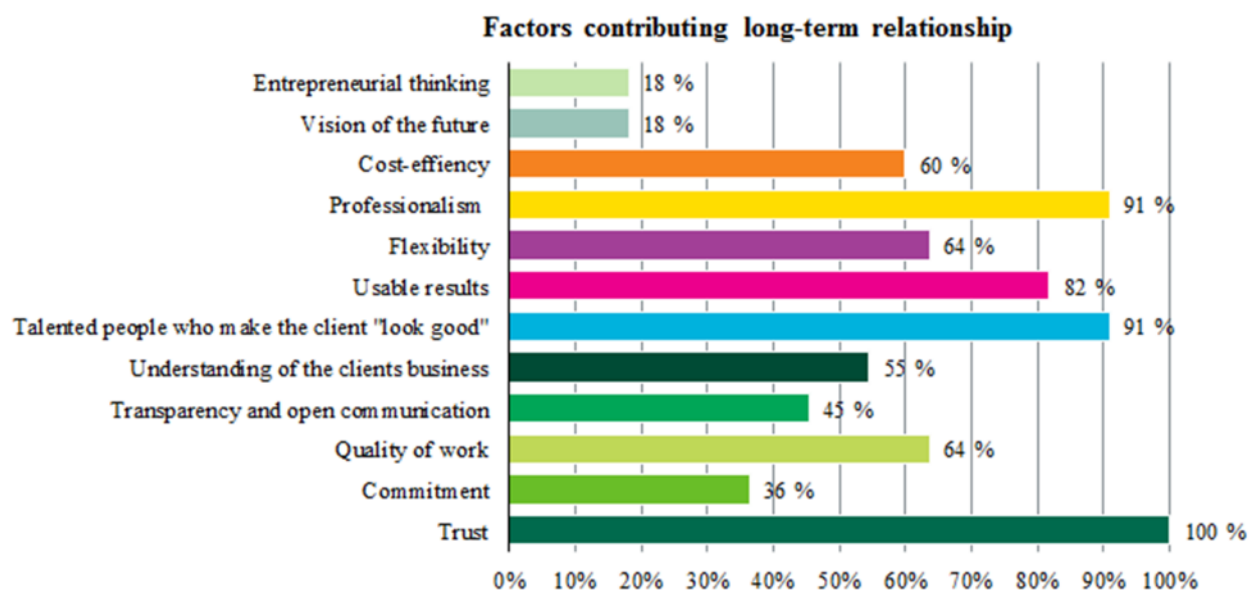
Four of the interviewed companies have done co-operation with real estate advisory firms on a case-by-case basis, but at the moment they have not engaged in relationship with a real estate advisory firm. However, they would prefer to concentrate the services to only one supplier if they wanted to engage in relationship. Reasons not to engage in relationship with real estate advisory firm were quite similar. In most of the cases the biggest reason was the internal know-how and liquidity. Also one of the respondents described that they wanted to on occasion keep the property information confidential because of the sensitive issues, therefore they do not want the information leak to the wrong party. In addition, the analysis of expert interviews shows that the size of the company, industry, assets of the company and geographical footprint may also be reasons not to use real estate advisory services.

In the analysis of experiences using the real estate advisory services shows that almost all interviewed companies had good experiences using the services and the services have affected positively to their organisation. However, the description of relationship varied between companies based in UK and Finland. Almost all UK companies characterised the

relationship to be more or less a partnership: *“I would describe it very much a partnership not much a buyer-supplier relationship”*. The UK organisations saw the service provider more an extension of the real estate department than just a supplier. They described to be in safe hands, and on the personal level they know the employees of the real estate advisory firm. In addition, they enjoy working with them. They truly saw that the relationship has added value to the organisation in terms of cost-efficiency and have an access to inside market information likewise to objective information. Of course, companies based in Finland saw that the relationship with a real estate advisory service provider adds value, but they do not see it as a partnership. The relationship is more or less as a co-operative vendor relationship than partnership. However, they saw that the real estate advisor not only just do the task for them but *“sits in the same table with them and is their man”*.

3.4.4 Factors that contribute to long-term relationships or to the lack of them with CREM advisory service providers

The analysis of the factors affecting long-term relationship indicates that the key component creating long-term consultancy-client relationship is trust. All the respondents pointed out that without trust successful relationship cannot be obtained (Figure 14). In addition, they described that trust is not comprised of one factor but of all factors together, however, only one factor can contribute losing it. Though, trust is not built up in a day but it needs to be built day-to-day through the other factors.



Picture 14 Factors contributing successful long-term relationship

The analysis of the interviews exposes that the two other key stones building a long-term relationship is professionalism and talented people who make the internal employees “look good” in the eyes of the company. Around 91 per cent of the respondents saw these two factors important to a successful relationship. Many of the interviewed companies described that the capability and the quality of the individuals that the service provider can bring as team is very high. Moreover, the respondents thought that this is one of the key factors that differentiate the supplier from the competitors.

The analysis reveals that the usable results were valued likewise the quality of work. Many of the interviewed companies highlighted that it is not just providing a service but it is important that the consultant understands what the company is trying to achieve and develops and provides solutions which answer to the needs of the firm. The ability to understand the business and the history of the client was seen as a contributing factor because the real estate advisor can achieve better results and higher level of performance by deeper understanding.

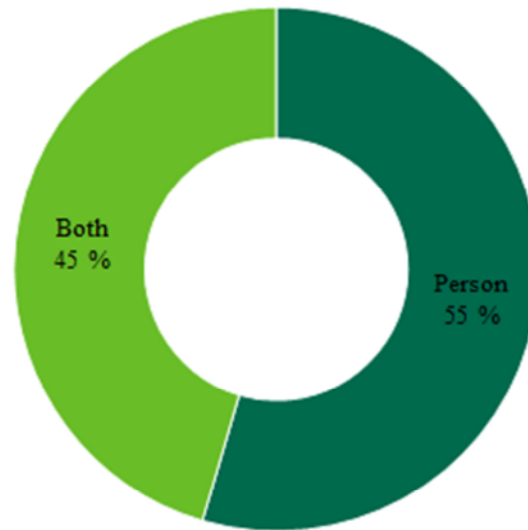
Other factors that most of the respondents valued were flexibility and cost-efficiency. Some of the interviewed companies are in a business environment that continuously changes, so they described that they need a real estate advisor who is open for these changes and ready to walk the journey with them. This requires commitment to the relationship, transparency and open communication from both sides but also flexibility in the supply chain because some of the projects may proceed in apace. Most of the respondents wanted the consultant be there whenever they required help.

In addition, around 18 per cent of the interviewed companies valued the entrepreneurial thinking in the supplier's way of working and the visionary thoughts of the future that they use in the provided solutions. Moreover, they appreciated the fact that the acceptance of the supplier to change with them through the changes that client is undergoing.

The opinions of the respondents to the question "Is the relationship related more to a person or to the company" varied from organisation to another. More than half of the respondents saw that the relationship is more related to the person, whereas 45 per cent of the respondents thought that it was related to both (Figure 15).

Some of the respondents said that when they have gone through a bidding process the last key component choosing the partner firm has been the person who is working with the client. Of course the brand, values and organisational culture of the real estate advisor firm matters, but at the end of the day the tasks and work is done by an individual not the actual company. However, the company stands behind the person. One of the respondents highlighted that it is important to remember that the company is a collection of individuals, but sometimes the individual can be even more powerful than the corporate brand. This is through the fact that the client may even be ready to follow a talented specialist if he or she is changing the company.

Is the relationship related to the person and/or company?



Picture 15 Is the relationship related to person and/or company

The analysis of the communication between the real estate advisor firm and client shows that almost all the respondents were satisfied with the regular communication which is done in weekly basis by telephone and email. Also, each respondent said having a monthly and/or quarterly meeting with the real estate advisor. Only one out of 11 said not being satisfied with the regular communication with the supplier and this was because of the communication occurring only from the client's side, not from consultant's sides. All in all, 91 per cent of the interviewed companies characterised to have a good open communication with the real estate advisor firm and in good regular time frame.

All the respondents were satisfied to the reporting that they had received from the suppliers. They also commended good reporting producing skills of the suppliers and quality of the reports. The only drawback that respondents described was that sometimes the reports include too much information and thought that the less is better. However, they really appreciated that the reporting is always in time and matches to their own systems.

The analysis of the feedback shows that feedback is only related to service provider's overall performance, quality of work and how the relationship is seen from client's side. All interviewed companies said that they have not really received feedback how they are as a client. One of the interviewees also commented that *"It would be something that could be considered to entail to the relationship"*.

The common meters to measure supplier's services were key performance indicators (KPIs) which were used in more than 50 per cent of the interviewed companies. They had used KPI's to things such as transactions, number of divestment, the number of leases, how well do they perform on the leases, the property database management, how is the quality of the data which was entered, how quick it was done and what was the turnaround time. Some of the interviewed companies had also tried to measure the services but did not

succeed because there are too many variables to measure. Moreover, some of the companies did not have the requisite tools or software to do the measuring. One of the interviews also described to measure the service providers performance “by hearth”.

One of the questions presented to the interviewees was “how would they see an ideal real estate consultant to be. Many of respondents described an ideal real estate advisor to be an international and long-standing partner who is visionary and has versatile collection of services. In addition, ideal real estate consultant is someone who adds value to the company and provides solutions how to work in different ways and more efficiently. In other words, ideal real estate partner is someone who understands the client’s business and sees beyond the flex working and makes it even further than just the initial task. Ideal real estate advisor is also flexible and ready to walk the journey of changes. One of the respondents highlighted this *“as we become a smaller senior organisation more operational responsibility will make its way to the supplier and I would want the supplier to be anticipating to this, not reacting after it has happened”*. Moreover, the respondents saw that ideal real estate advisor is someone who is trustful, talented, innovative, transparent, and cost-efficient.

3.5 Conclusions of the interviews

The working hypotheses of this study were based on the findings of the literature review and on the research questions. The first hypothesis was about the evolution and position of CREM in the different industries. The second was about real estate advisory services being part of CREM. The third was about organisations using real estate advisory services to add knowledge and expertise that is not found inside the organisation, but also to lower the costs. The last considers factors contributing to the successful long-term consultancy-client relationships. This chapter discusses the accuracy of the working hypothesis.

All the interviewed companies perceived that the CREM has evolved in the organisation during the years; however, the analysis of the interviews shows that the evolution CREM is in different position in the organisation depending on the industry the company is operating. The more capable and developed the company is, the more strategic CREM is. The analysis demonstrates that the first working hypothesis is correct. It can be clearly stated from the empirical analysis that ICT and telecommunication industries, likewise the financial and pharmacy industries are at more advanced level in the evolution, whereas, the industrial and energy industries lack little bit behind.

Furthermore, the analysis of the interviews reveals clearly that all the companies had used some kind of real estate advisory service in daily basis or occasionally. More than 80 per cent of the respondents have engaged relationship with real estate advisory firm. Some of the interviewed companies have global agreement with supplier and some of them use the services case by case. The analysis shows that the most substantially used real estate advisory services were transaction management, valuation and project management. Therefore, the real estate advisory services are part of CREM and the second working hypothesis was found true, even though all of the services are not used as every day service.

The analysis exposes that the UK companies are explicitly more willing to outsource partly their real estate functions than Finnish companies. Moreover, the UK companies saw the

relationship more as a partnership than a vendor-buyer relationship, whereas, the Finnish companies saw the relationship more or less as a co-operative vendor relationship.

Reasons to use the real estate advisory services varied from company to another, but the most common reasons were the lack of knowledge and expertise inside the company and cost-efficiency. Therefore, the third working hypothesis can be found right. Moreover, the other reasons to use the services were that the companies reached higher level of performance and better solutions by outsourcing. In addition, centralizing the real estate advisory services to only one service provider allows the company to manage and follow the supplier's quality of work and performance effortlessly.

However, the working hypothesis does not suggest reasons not to use the real estate advisory services, which are exposed in the empirical part. The reasons not to use the services were found quite similar in the companies. The respondents saw clearly that they did not need the services because of internal know-how and liquidity. In addition, one of the respondents wanted to keep the property information inside the company because of the sensitivity issues. The analysis shows that the size of the company and industry may also affect to the need of the real estate advisory services.

The fourth hypothesis, which states the factors contributing to the successful long-term consultancy-client relationships, can be defined for the most part correct. The empirical part reveals more factors to be important and valued in the relationship than the working hypothesis suggests. All the interviewed companies saw that the mutual trust in the relationship is the key component, but they also saw the person with whom they are working with very important as well. Clearly the company behind the person has its own role but at the end of the day it is the person who does the work and tasks.

Commitment, open communication, transparency and employee alignment were seen as valued factors in the relationship, however, substantially recognised factors were professionalism and talented people who make the client "look good" in the eyes of the company. Furthermore, the flexibility of the consultant, cost-efficiency and consultant's understanding of client's business were explicitly recognised factors which are not suggested in the fourth working hypothesis. Moreover, part of the interviewees also saw entrepreneurial thinking and consultant's vision of the future important factors.

4 Findings

This section combines the found results from the literature review and the empirical part into one concise conclusion and describes effectively the current status of CREM in the selected organisations, reasons using real estate advisory services and the factors contributing to successful consultancy-client relationships.

The literature review suggests that historically CREM has been very much towards tactically delivering the services, however, it has evolved during the past decade and moved itself up in the value queue in terms what it can offer for the business. It has moved away from just providing tasks of delivery to be recognised as a competitive and advantaged partner to the business. In addition, the aim of CREM is to support the core business of the company. The analysis of expert interviews reveals that there are certain differences between the industries. The more developed the organisation is, the more strategic CREM is. Moreover, the more demanding and the wider challenges it is able to receive. Both of the interviewed experts saw that technological and financial sector are at more advanced level in the evolution, whereas, the matured industries lack little bit behind in the evolution. The analysis of expert interviews also suggests that the trend in CREM is towards centralisation.

The empirical analysis expose that these are true; all the interviewed companies perceived that CREM has developed during the last five to eight years in their respective companies. The most changes had happened in the team size and management, size of real estate portfolio, tasks and outsourced real estate services. Typically, the real estate team size had decreased and the amount of outsourced services had increased. Moreover, the real estate portfolio had changed in terms of owning the space versus leasing the space. Most of the interviewees preferred leasing than buying the new space, whereas, it was the opposite before when companies owned their operating premises. The empirical analysis suggests that the companies want now release the capital from real estate to be able to be more cost-efficient. One of the interviews described this as *“a massive drive to reduce the square foot on the face of the efficient ways of working”*. The analysis reveals that the real estate tasks have also changed; the interviewees saw that CREM is more established and controlled than before as the technology is evolved, but also because of the increased internal knowledge. In addition, all the interviews emphasised that the aim of CREM is supporting the core business of the company which is the main pillar of corporation's real estate strategy.

Nevertheless, there were differences between the organisations in the real estate strategies. The empirical analysis shows that in the more matured industries CREM is more focused in managing the steady real estate portfolio cost-efficiently, whereas, in the younger organisations it is more towards delivering office space in terms of the company and needs of the business. Around 80 per cent of the respondents characterised CREM to be centralised and the rest of them described it to be either decentralised or mix of both. The structure, though, may vary geographically within the company. The model varied also between the industries. The empirical analysis suggests that the CREM model is centralised in ICT, telecommunication, financial, media, logistics and pharmacy sectors, whereas, in industrial and energy the CREM model is decentralised. The business environment of ICT, telecommunication, financial, media, logistics and pharmacy are affected by the changes such as globalisation, restricting and information technology quite

heavily, whereas, the business environment of industrial and especially energy are not affected by the changes.

The literature review and analysis of expert interviews show that after the recession (1990) the real estate department was given a much stronger mandate by the CFO to manage the assets and liabilities than before. Almost all of the interviewed companies were under the finance service line in the company which suggest that the CREM could be seen under the finance service line in the organisational chart. The analysis of interviewees exposes that 72 per cent of the respondents reporting to CFO characterised having a good mandate in the company, and the rest of the respondents saw not having such a good mandate because of the lack of trust from the business. Most of the interviewed companies described having challenges working with the business because of the subjective issues. The empirical analysis suggests that some may take the real estate decisions very personally or they may think that they know on the real estate issues even though they do not have any knowledge in them. In addition, the previous experience working with the real estate department was seen as a factor affecting the co-operation between real estate department and the business units.

The literature review suggests that the constant changes in the business environment encourage firms to find ways to be more flexible and responsible, but also be more innovative and in their core business. The analysis of expert interviews shows that corporations are using more and more outsourcing services as part of CREM. Employing an outside firm to manage fully or partly their real estate functions may help firms to concentrate resources to build core skills.

The empirical analysis exposes that the organisations are using more and more real estate advisory services. Moreover, 80 per cent of the interviewed companies are doing co-operation with a real estate advisory firm, and the rest of the respondents use the real estate advisory services depending on the needs of the company. The analysis exposes that the most common used real estate advisory services were in both countries transaction management, valuation and project management. Also, tenant representation was commonly utilised in both countries.

The empirical analysis shows that employing an outside firm to manage the real estate functions is not related to the maturity of the company. Both matured and young companies have used real estate advisory services, however, engaging relationship with a vendor varies between the two countries. The empirical analysis suggests that the UK companies are more willing to engage in relationship with service provider than the Finnish companies. This can be through the needs of the company or the business culture in the countries. The UK companies are used to engaging long-term relationships with the vendor, whereas the Finnish companies are not. All of the UK companies operate all over the world and the need for the services depends on the role of the real estate management team. The empirical analysis shows that some of the respondents have a regional role and some of them a global role in real estate related issues. Most of the interviewees described to having a global agreement with the supplier because the company is operating in different countries and they do not have a dedicated team in some countries. Therefore, they saw it beneficial to engage a relationship with a global vendor to take care of the real estate related tasks in these countries. In addition, the real estate market in Finland is also much smaller compared to the UK market.

According to the literature review and the empirical findings the reasons for hiring outside professionals such as real estate advisory service providers, the company is hiring the agent's knowledge as well as labour to complete the task (Sherman 1997). In most cases of the empirical study the knowledge and understanding of the real estate market were not found internally. In addition, the outsourcing can decrease cost while allowing flexibility because reduced capital investment in overhead and technology (Dess et al 1995). The analysis reveals that outsourcing the real estate functions allows smaller team sizes in the real estate department, but at the same time higher level of performance and better solutions. The reason not to engage in relationship with real estate advisory firm was internal know-how, cost-efficiency and size of the company, but also the respondents wanted to keep the knowledge of the properties inside the organisation which affects to the lack of trust in the industry. However, as the business environment continues to change, the organisations continue to develop and grow, so international skills and knowledge will be needed. The empirical analysis suggests that the companies operating in many different countries will need international help to manage their real estate functions because of the lack of internal international knowledge.

The literature review and empirical findings show that the relationship between the client and consultant can be characterised in variety of ways and can be identified in different stage. The analysis shows that the description of relationship varied between the two countries. Almost all UK companies saw the relationship at the highest level in the adopted model of Stumpf and Longman (2000). All of them characterised the relationship more as a partnership and they saw that the relationship truly adds value to the organisation. Moreover, they emphasised the service provider to be more an extension of the real estate department than just a supplier. Companies based in Finland saw that the service provider added value to the organisation, but the relationship between the consultant and client is not in such advanced level compared to UK. The empirical analysis suggests that most of the interviewed companies in Finland saw the relationship as a buyer-vendor relationship and they did not only prefer one vendor but more. They do not use just one supplier to perform the task but depending on the need of the company they choose the best company to do the task. Therefore, the empirical analysis suggests that the Finnish respondents saw the relationship more as a differentiated vendor relationship.

The literature review suggests that firms receive varying degrees of success and satisfaction with different real estate arrangements. To achieve the corporate goals, the client must work closely with the consultant to ensure the interests of each party are being fulfilled. The empirical analysis shows that almost of all interviewed companies were satisfied with the services utilised and emphasised that the services have affected positively to their organisation. One key component of successful collaboration is communication. Around 91 per cent of the respondents were satisfied with the regular communication which was characterised as open and transparent. In addition, most of the interviewed companies felt that they receive the communication in good time frame. Only one out of eleven respondents said not being satisfied with the communication with the service provider because usually the communication is done from the client's side, not from both sides. Based on the empirical findings all respondents were satisfied with the reporting that they have received from the service provider. They commended reporting as high quality and competent, but also it being always in time.

As the literature review shows, many service providers engage relationships with the business customers (Ryssel et al 2004, p. 197). Therefore, it is essential to see the

importance of the relationship and the factors contributing to the successful relationship. To be able to move up in the next level in the model of development stage of consultancy-client relationship, the service provider needs to understand fully the business of the client, but also the actual “wants” and “needs” of the client (Stumpf & Longman 2000; Kubr 1992; Sadler 1998).

The figure 16 below represents the key factors contributing to successful long-term relationship that were found through the literature review and empirical part. The figure is a fourfold table which represents two classifications, important and recognised factors. These two classifications are independent and show the value of the factor which are described below.

Both literature review and empirical analysis show that the most important contributing factor is the mutual trust between the consultant and the client (Figure 16). In the figure below trust has been chosen to be the most important and valued factor because all interviewees saw it to be the building stone to a successful relationship. Furthermore, the literature review suggests trust to be one of the key elements maintaining relationships. Without a mutual trust a successful relationship cannot be achieved. However, trust is not comprised of one factor, but on all factors together. Still, only one factor can affect losing it.

The empirical analysis suggests that the other most important factor is the person working with the CREM team. Nevertheless, the company behind the person was seen important also but the company was seen as a “*collection of individuals*” and at the end of the day the individual does the task and work. The person was also seen more powerful than the corporate brand. This suggests that if the company satisfied with the task and work done by the individual and the person would change the company, the client might go with him/her.

As mentioned the trust is not comprised of one factor but all factors together. These other important and valued factors contributing to a successful long-term relationship (Figure 16) are according to the findings from the literature review and the empirical analysis

- professionalism, objectivity, integrity, deep and up-to-date expertise,
- quality of work with usable, but feasible results,
- talented people who make the client look good as a result of the consultant’s work,
- flexibility and cost-efficiency of the service provider,
- understanding of client’s business,
- transparency,
- open communication, and
- commitment to the work

The empirical analysis also show that other factors contributing to a successful long-term relationship are consultants

- vision of the future, and
- entrepreneurial thinking.

All these above factors were also valued in an ideal real estate advisor, but these two last factors were highly valued when characterising an ideal real estate advisor. The empirical analysis reveal that the clients expect real estate advisory firms be visionary with their

solutions and go beyond the initial task. Moreover, the real estate advisory firm needs to be ready to changes happening in the client's business not reacting later as the changes have already happened. They want the real estate advisory firm to anticipate to the changes and walk the journey with them as a partner who shares the same vision with them.



Picture 16 Factors contributing the successful long-term relationship

5 Conclusions

The focus of this study is in corporate real estate management and consultancy-client relationships. The conclusion summarizes the key findings and reflects them to the research questions which were set and draws conclusion further. Moreover, it discusses the implications of these findings including their effects and meanings to the real estate field. In addition, a broader influence to corporate real estate management, which is influenced by the consultancy-client relationship issues, is discussed. Finally, the reliability and validity are analysed. Further research possibilities are presented at the end of this section.

The three research questions were: “How does the current status and position of corporate real estate management differ in the different organisations and can it be specified in different industries and are there similarities?” It was followed by two other research questions which were: “Why do organisations use or not use corporate real estate advisory/consultancy services?” and “What are the key factors that establish and support a long-term consultancy-client relationship?”.

Historically CREM has been very much towards tactically providing tasks of delivery. The trigger for the managerial attention to be concentrated on the matters of real estate was the growth of the corporations and commensurate expansion of their real estate portfolios. CREM has evolved during the years and moved itself up in the value queue recognized as a competitive and advantaged partner for the business by supporting and adding value to the core competencies.

According to the data the status of CREM in the selected client organisations has changed during the past 5 to 8 years and the trend is more or less towards centralisation. However, there were differences between companies. The technological and financial industries can be seen at a more advantaged level in the adopted evolution model of Joroff et al (1993), whereas, the more matured industries such as manufacturing, industrial and energy are slightly behind in the evolution.

As the business environment changes continuously, the most changes that have happened in the organisation’s CREM department are

1. size of the team/department,
2. management,
3. size of the portfolio,
4. tasks,
5. mandate,
6. outsourced services

This study provides an argument that the evolution of CREM may have an effect on the fact that the company is outsourcing the real estate advisory services more and more. The results expose the reasons to engage in relationship with a real estate advisory firm varied between the organisations. In most cases the reason to use services is the lack of knowledge and understanding of the real estate market inside the organisation but also the cost-efficiency factor. Outsourcing the services allows a smaller team, higher performance and better solutions. However, the internal know-how, cost-efficiency and the decision to keep the services internal were also seen as the reason not to use the services which indicates to the lack of trust in the industry.

A starting point for the factors contributing to the successful long-term relationship is trust and the consultant itself. The results show that clients valued the mutual trust between them and the real estate advisory firm the most. The study states that without mutual trust and its components a successful long-term relationship will not be obtained. However, trust is not comprised on one factor but on the other factors together. In addition, the individual working with the client was characterised even more powerful than the corporate brand. The findings suggest that if the advisor would change organisation, the client would follow him or her. The other factors contributing to the successful long-term relationships are professionalism, objectivity, integrity, deep and up-to-date expertise from the consultant. In addition, the client expects the quality of work to be not only usable, but also feasible meaning that the client can use the work and its results and look good as a result of the consultant's work. Moreover, the client expects the consultants to be flexible and cost-efficient in terms of changes in the client's business. Also, the consultant needs to understand the client's business and culture, and be transparent and committed to the work he or she is doing.

The results have significance for corporate real estate managers and corporate real estate consultants who tackle with corporate real estate and relationship management issues. As most of the organisations face corporate real estate issues, these results function of a reminder of the current status of CREM. The factors contributing to the consultancy-client relationship cannot be overlooked. In addition, this study exposes a gap in the position of CREM and development of consultancy-client relationships. Currently in matured industries the evolution of CREM lacks is a bit behind and moreover, in Finland the amount of engaging in relationship with a real estate advisory firm is still low. In the UK the companies saw the relationship more or less as a partnership, whereas, in Finland the relationship was seen as a vendor-buyer relationship.

5.1 Analysis of the results

The aim of this research was to study the evolution and current position of CREM in the occupier organisations. Moreover, the purpose of the study was to develop better understanding on what type of consultancy-client relationships exist in the selected markets and what is the key to successful long-term relationship. The framework of this study focuses on corporate real estate management and consultancy-client relationship. The literature review provides a solid framework for the empirical study; it provides a vision to the evolution of CREM and deepens the understanding of the consultancy-client relationships.

The empirical study has been conducted with semi structural interviews and the research methods are chosen to provide a comprehensive answer to the research questions. The research questions are complex and there are no simple answers to them. However, according to the methodology of qualitative research this study tries to understand and produce social explanations to the behaviour of individuals in the research context (Creswell 2009).

However, this study is a thesis project and has its limitations. In the empirical study the interviews provide subjective results as the interviewees' meanings and memories cannot be described with total accuracy. To gain broader perception, the interviewees have not been in the organisations to see the whole evolution of CREM. As the human memory can

trick its user, it thereby allows forgetting some of the sentiments over time. Moreover, the respondents may consider something self-evident and therefore be unspoken about it.

In addition, more interviewees from the same business field could have been interviewed to deepen the understanding of the differences and similarities of the industries. This study interviewed 11 organisations and almost all companies are operating in different business fields. These interviews gave a large amount of information but additional information could have offered some extra viewpoints.

5.2 Reliability, validity and generalisations of findings

The empirical study consists of 11 interviews which were conducted during the 9th of June and 13th of August 2014. In addition, two real estate experts were interviewed. The interviews were done in the natural setting for the interviewees and conducted by one researcher. Moreover, the interviews were recorded and transcribed. The empirical analysis is done to gather relevant meanings which include understanding the meanings what the interviewee meant but did not express. This analysis was done carefully reciprocating in the empirical data. Furthermore, the researcher's meanings were devalued to achieve reliable findings (Creswell 2009, p.122; Hirsijärvi et al 2007).

These factors engender reliability of this study. However, the interviewees have a subjective vision of corporate real estate management and consultancy-client relationships which are taken into account by having a large sample number. This procedure was done to generate non-randomised results. In addition, the case organisations were in different countries and had different backgrounds, size and corporate culture which also generalised the data.

This study's aims are in the evolution and current position of CREM and in understanding on consultancy-client relationships and the factors contributing to them. First, this research studies what are the previous findings in the field of corporate real estate management and consultancy-client relationship. The research proves the evolution of CREM and the reasons and factors contributing to the relationship between the consultant and client. The study continues to analyse the literature and the empirical findings to discover current position of CREM in the selected occupier organisations, the reasons using the real estate advisory services and the factors contributing to the successful consultancy-client relationship.

At the end of the empirical part, the current situation is analysed and the best results are gathered from the data. In the findings these results are taken further combining them with the findings of the literature review. Results include the current position of CREM, reasons why companies are using or are not using the real estate advisory services, and the factors contributing to the long-term consultancy-client relationship. The discussion and critical examinations of the results are done during conclusions to generate answers to the research questions.

5.3 Suggestions for Further Study

Corporate real estate management is an interesting and important subject to study as the business environment continuously changes. Moreover, the factors contributing to the long-term consultancy-client relationships is an increasingly important subject as more and

more service providers engage relationships with business customers. This study researches what factors contribute the successful long-term relationships in consultancy-client relationships from the perspective of the client. However, this study does not analyse the relationship from the perspective of the consultant.

The future study could be engrossed in the factors contributing to the consultancy-client relationships in real estate advisory services from the perspective of the client and the advisor. Future study can aim to discover if some relationships are more reluctant to change than others. Moreover, if possible, the future research can aim to seek the differences between countries and industries.

The future study possibilities could include inter alia research which implements the results of this study. It would be interesting to analyse whether the corporate real estate evolves even further in the near future by studying if the organisations are using corporate real estate advisory services more and whether the consultancy-client relationships are developing.

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Appendices

Appendix 1 Organisations in the empirical analysis

Interviews	Company	Group	Position in the company	Size of organization	Size of CREM department	Interview date
Interview 1	StoraEnso	I	Management	Medium	< 10	9.6.2014
Interview 2	Itella	I	Management	Medium	> 30	2.7.2014
Interview 3	IBM	I	Management	Extra Large	< 30	7.7.2014
Interview 4	CBRE	II	Management	Large	> 50	8.7.2014
Interview 5	Google	I	Management	Large	> 10	8.7.2014
Interview 6	RBS	I	Management	Extra Large	< 50	11.7.2014
Interview 7	ExxonMobil	I	Management	Large	> 15	14.7.2014
Interview 8	Pfizer	I	Management	Large	< 100	15.7.2014
Interview 9	Microsoft	I	Management	Extra Large	< 150	16.7.2014
Interview 10	Tieto	I	Management	Medium	> 20	30.7.2014
Interview 11	Sanoma	I	Management	Medium	> 10	5.8.2014
Interview 12	Elisa	I	Management	Small	> 10	13.8.2014
Interview 13	Rakli	II	Management	Small	-	13.8.2014

Appendix 2 Organisation interview questions

Questions in English

I. General questions - basic information

1. Interviewee's background and position in the organisation in brief
 - a. Education
 - b. Career
2. Brief summary of the organisation
3. Business strategy of the organisation
4. Corporate real estate strategy / space strategy / etc.

II. The status of Corporate Real Estate Management and development in the organisations

1. How is Corporate Real Estate Management understood in your organisation?
2. How is the real estate management team of the organisation composed:
 - a. size, history/background, tasks/jobs
 - b. Corporate Real Estate management model
 - i. From where does the model come from?
 - ii. Is your corporate real estate centralised or decentralised?
3. What is the real estate management team responsible for? In the UK and globally
 - a. Types of real estates: office, retail, industrial, forestry, etc.
4. What does the real estate management team decide on or prepare the decision-making for somewhere else, who? Also a description of the process?
5. How advanced do you perceive CREM to be in your organisation at the moment?
6. Do you think a company's business strategy and real estate strategy go hand in hand? How have you personally experienced the dialogue with the business?
 - a. To whom does the real estate team report to?
 - b. Describe also how does the co-operation with the business operate
 - i. Challenges/issues
 - ii. Mandate?
7. How would you describe your organisation's real estate management team's evolution? How has it changed and evolved over the years?
 - a. Have there been changes for example in management, organisational structures, services, outsourcing/collaboration?

III. Experience with CREM advisory service providers

1. How are corporate real estate advisory services involved in your organisation's business?
2. Have you collaborated with CREM advisory service providers?
 - a. For example, strategic advisory, lease negotiations, real estate information management, transaction services, lease administration
3. What types of services have you used? Describe also to which extent the services have been used.
 - a. Do you see that there are services that are used iteratively/repeatedly/often?
 - b. Does your organisation have reoccurring collaborations? Are the agreements broader co-operations or solely case by case?

4. What are the reasons for using or not using different services?

IV. Factors that contribute to long-term relationships or to the lack of them with CREM advisory service providers

If you have used CREM advisory services:

1. Please describe the collaboration relationship with the service providers
 - a. What have you experienced to be good? Pros and cons?
 - b. How would you describe your relationship with the supplier to be?
 - i. Would you describe it to be a collaborative relationship or partnership?
2. Which factors do you value in a relationship?
 - a. Factors such as trust, commitment, communication, sharing, productivity, service, and quality of work, enhancement
 - b. Is the collaboration more related to the person or to the company?
 - c. Is there one single factor which rises above all other factors?
3. How has co-operation affected your organisation's real estate management?
 - a. For example, market data or access to "silent" market/real estate information
4. How and with which measures do you follow the service provider's results? And quality of services?
5. How has does communication work with the service providers?
 - a. Regular communication? Telephone/Email/Face-to-face meetings etc.
 - b. How does the reporting work?
 - c. How does the exchange of feedback work?
6. Which improvements by the sector would you hope to see? What would you do differently?
 - a. For example communication, reporting, etc.
 - b. How would you see the future of your real estate department to be? Will there be any changes?

How would you see an "ideal" real estate advisory service provider to be?

Questions in Finnish

I. Yleiset kysymykset – perustietoa

1. Haastateltavan tausta ja työtehtävä/asema organisaatiossa lyhyesti
 - a. Koulutus
 - b. Ura
2. Organisaation tausta lyhyesti
3. Organisaation liikestrategia
4. Organisaation kiinteistöstrategia/tilastrategia/tms.

II. Yrityksen strategisen kiinteistöjohtamisen asema ja kehittyminen yrityksessä

1. Mitä organisaatiossanne ymmärretään strategisella kiinteistöjohtamisella?
2. Millaisia ovat yrityksenne strategisen kiinteistöjohtamisen tiimit:
 - a. koko, historia/tausta, tehtävät

- b. Käyttekö jonkunlaista mallia osana kiinteistöjohtamista? Minkälaista ja miksi? Mistä tämä malli on otettu?
- 3. Mistä kiinteistöistä kiinteistöjohtamisen tiimi vastaa? Suomessa että globaalisti.
 - a. Kiinteistötyypit: toimisto, liiketila, tuotanto, metsä yms.
- 4. Mitä asioita kiinteistöjohtamisen tiimi päättää tai valmistelee päätettäväksi jossain muualla, missä? Kuvaile myös kuinka prosessi toimii?
- 5. Missä kohtaa kiinteistöjohtamisen yksikkö on organisaatiossanne?
- 6. Vuoropuhelu liiketoiminnan kanssa? Kulkevatko yrityksen liiketoiminta strategia ja kiinteistöstrategia ns. käsi kädessä?
 - a. Kenelle kiinteistöjohtamisen tiimi raportoi?
 - b. Kuvaile myös kuinka yhteistyö liiketoiminnan kanssa toimii
 - i. Esimerkki tilin kautta: haasteita/ongelmia
- 7. Miten kuvailisit yrityksenne kiinteistöjohtamisen tiimin ”evoluutiota”? Kuinka se on muuttunut ja kehittynyt vuosien varrella?
 - a. Onko tapahtunut muutoksia esim. hallinnossa, organisaation rakenteissa, palveluiden ostamisessa?

III. Yrityksen kokemukset yrityksen strategisen kiinteistöjohtamisen palveluista

- 1. Miten kiinteistöjohtamisen palveluja tuottavat yritykset liittyvät organisaatioon?
- 2. Oletteko tehneet yhteistyötä strategisen kiinteistöjohtamisen palveluita tarjoavien yritysten kanssa? → asiantuntijapalveluja
 - a. Esimerkiksi: strateginen neuvonanto, vuokrasopimusneuvottelut, kiinteistötiedon hallinnointi, transaktio-palvelut, vuokrareskontra
- 3. Mitä ja minkälaisia palveluita olette käyttäneet? Kuvaile myös missä laajuudessa palveluja käytetään.
 - a. Ennen määrin, toistuvuutta
 - b. Onko organisaatiossanne toistuvia yhteistyösuhteita? Ovatko sopimukset laajempia yhteistyösopimuksia vai case by case olevia?
- 4. Mistä syistä eri palveluja käytetään tai ei ole käytetty?
- 5. Jos ette ole käyttäneet palveluja niin kuvaile millaisille strategisen kiinteistöjohtamisen palveluille organisaatiossanne olisi tarvetta ja oletteko suunnitelleet käyttävänne strategisen kiinteistöjohtamisen palveluntarjoajia tulevaisuudessa tai seuraavan vuoden tai kolmen vuoden aikana?

IV. Tekijät, jotka vaikuttavat pitkäkestoisiin yhteistyösuhteisiin tai niiden puuttumiseen strategisen kiinteistöjohtamisen palveluntarjoajien kanssa

- 1. Kuvaile yhteistyösuhtettanne palveluntarjoajien kanssa
 - a. Mitä olette kokeneet olevan hyvää? Mitä huonoa?
- 2. Mitä tekijöitä arvostatte yhteistyösuhteessanne?
 - a. Onko yhteistyösuhteiden perustana henkilösidonnaista vai yrityssidonnaista?
 - b. Palvelun laatu, luottamus, yhteydenpito jne.
 - c. Yksittäinen tekijä, joka nousee esille ylitse muiden?
- 3. Miten koette että yhteistyönne on vaikuttanut kiinteistöjohtamiseenne organisaatiossanne?
 - a. Esimerkiksi markkinatiedon tai ”hiljaisen” tiedon saanti
- 4. Miten ja minkälaisin mittarein seuraatte palveluntarjoajia ja palveluiden laatua?
- 5. Miten yhteydenpito palveluntarjoajien osalta toimii?
 - a. Onko yhteydenpito säännöllistä: päivittäin, viikottain, kuukausittain? Kuinka: puhelimitse, sähköpostilla.

- b. Kuinka raportointi toimii esimerkki casen kannalta? Entä palautteenantaminen ja –saaminen?
- 6. Mitä toivoisitte että tulisi parantaa tai tekisitte toisin?
 - a. Esimerkiksi yhteydenpito, raportointi yms.
- 7. Millainen on ”ideaali” kiinteistöjohtamisen palvelujen tarjoaja.

Appendix 3 Expert interview questions

Questions in English

I. General questions - basic information

1. Interviewee's background
 - a. Education
 - b. Career
 - c. How did you get into the real estate industry?
2. What kind of organisations have you been working for: brief background
3. What type of real estate strategy / space strategy / etc. did the organisations have?

II. The status of Corporate Real Estate Management and development in the organisations

1. What does the concept of Corporate Real Estate Management bring to your mind?
2. How would you describe the evolution of CREM?
 - a. How has it changed / developed in the UK over the years? Also compare globally
 - b. Can different stages/levels be identified?
 - c. At what level do you see CREM to be in different organisations at the moment?
 - i. Are there certain industries in which CREM is in a further/more advanced stage/level?
3. What are the typical tasks and decision-making preparations of the real estate management team in general?
4. How have you personally experienced the dialogue with the business?
 - a. Do you think a company's business strategy and real estate strategy go hand in hand?
 - b. How do you see that the company's real estate team understands of the business? What is your impression of the real estate team's understanding of the business?
 - c. To whom usually does the real estate management team report to?

III. Experience with CREM advisory service providers

1. Which CREM specialist services are used in general and why?
 - a. Do you see that there are services that are used iteratively/often/repeatedly?
 - b. What kind of services have you used yourself in different organisations?
 - c. Why did you use these services?
 - d. In your experience, does the expert understand the needs of the corporation's real estate team?
 - e. Why do companies use these services and what are the contributing factors? What reasons are there for not using these services? Lack of awareness of the services, liquidity of the company

IV. Factors that contribute to long-term relationships or to the lack of them with CREM advisory service providers

1. How would you describe the relationship with the CREM advisory service providers?
 - a. What have you experienced to be good? Pros and cons?
2. How has communication worked with the service providers?

- a. Regular communication? Telephone/Email/Face-to-face meetings etc.
- b. Reporting?
- c. How do you measure the work/results of the service provider?
- 3. What factors do you value in a relationship?
 - a. For example, trust, commitment, communication, sharing, productivity, service, and quality of work, enhancement
 - b. Do you feel that the relationships are related more to the person or to the company?
 - c. Is there one single factor which rises above all other factors?
- 4. Which improvements by the sector would you hope to see? What would you do differently?
- 5. How would describe an effective cooperative relationship?
- 6. How would describe an "ideal" service provider?

Questions in Finnish

I. Yleiset kysymykset – perustietoa

- 5. Haastateltavan tausta
 - a. opinnot
 - b. työura
 - c. Kuinka päädyit kiinteistöalalle?
- 6. Millaisissa organisaatioissa toiminut: taustat lyhyesti
- 7. Organisaation kiinteistöstrategia/tilastrategia/tms.

II. Yrityksen strategisen kiinteistöjohtamisen asema ja kehittyminen yrityksissä

- 8. Mitä yrityksen strateginen kiinteistöjohtamisen käsite tuo mieleen?
- 9. Miten kuvailisit yrityksen strategisen kiinteistöjohtamisen ”evoluutiota”?
 - a. Kuinka se on muuttunut/kehittynyt Suomessa vuosien varrella? vrt. myös globaalisti
 - b. Onko havaittavissa ns. eri vaiheita?
 - c. Missä kohtaa näet yrityksen strategisen kiinteistöjohtamisen olevan tällä hetkellä eri organisaatioissa?
 - i. Onko havaittavissa tiettyjä aloja, joissa yrityksen strateginen kiinteistöjohtaminen on ns. pidemmällä?
- 10. Minkälaisista tehtävistä kiinteistöjohtamisen tiimi yleensä päättävää tai valmistelee päätettäväksi?
- 11. Miten olet itse kokenut vuoropuhelun liiketoiminnan kanssa?
 - a. Kulkevatko mielestäsi yrityksen liiketoiminta strategia ja kiinteistöstrategia ns. käsi kädessä?
 - b. Miten näet, että ymmärtääkö yrityksen kiinteistöjohto tiimi liiketoiminnan tarpeet?
 - c. Kenelle yleensä kiinteistöjohtamisen tiimi raportoi?

III. Kokemukset yrityksen strategisen kiinteistöjohtamisen asiantuntijapalveluntarjoajilta

- 6. Mitä yrityksen strategisen kiinteistöjohtamisen asiantuntijapalveluita yleisesti ottaen käytetään ja miksi?
 - a. Onko havaittavissa toistuvuutta palveluiden osalta?

- b. Millaisia palveluja itse olet käyttänyt eri organisaatioissa?
 - c. Miksi käytitte kyseisiä palveluita?
 - d. Miten koet tai olet kokenut, että ymmärtääkö asiantuntija yrityksen kiinteistöjohto tiimin tarpeet?
7. Miksi yritykset käyttävät tai eivät käytä kiinteistöjohtamisen palveluita? Mitkä tekijät vaikuttavat tähän tai näiden puuttumiseen?
- a. tietämättömyys palveluista, yrityksen maksuvalmius

IV. Tekijät, jotka vaikuttavat pitkäkestoisiin suhteisiin tai niiden puuttumiseen yrityksen strategisen kiinteistöjohtamisen asiantuntijapalveluntarjoajien kanssa

- 8. Miten kuvailisitte yhteistyösuhteita palveluntarjoavienn yritysten kanssa
 - a. Mitä olette kokeneet olevan hyvää? Mitä huonoa?
- 9. Miten yhteydenpito palveluntarjoajiin toimi?
 - a. säännöllinen yhteydenpito? Kuinka?
 - b. raportointi?
 - c. mittaristo?
- 10. Millaisia tekijöitä itse arvostatte yhteistyösuhteessa?
 - a. Esimerkiksi luottamus, yhteydenpito, palvelun ja työn laatu
 - b. Koitteko yhteistyösuhteen olevan henkilösidonnaista tai yrityssidonnaista?
 - c. Oliko joku yksittäinen tekijä, joka nousi ylitse muiden?
- 11. Mitä toivoisitte että tulisi parantaa alalla tai tekisitte toisin?
- 12. Kuinka luonehtisit toimivaa yhteistyösuhdetta?
- 13. Millainen on ”ideaali” yhteistyökumppani?